

## Invitation

Please join the UK Students for Liberty for an evening of

Food, Fun, and Free-Market Entertainment

Wednesday, February 24

6:30 to 8:00 pm

Room 324 in the Business and Economics Building

Come for pizza, soft drinks, music, lots of good conversation, and special entertainment with a free-market theme.

## Schedule

6:30-6:40. Arrival. Pizza, music, chat.

6:40- 6:45. I introduce officers, past officers, and other special guests.

6:45- 7:00. First round of clips on some basic of economics and markets.

Comments about Hazlitt's fallacy of the broken window, the blessings of destruction. Show video from the Onion on a mock debate on "Whether the Government Money Hole Should be Closed." <http://www.youtube.com/watch?v=JnX-D4kkPOQ> (2:05)

Other basic idea of economic analysis. People have a self interest motive (as well as other motives). Those involved with government are are not immune to this. Capitalism as guiding self interest; capitalist societies having the best outcomes for the common person. Show Friedman clip on "greed."

[http://www.youtube.com/watch?v=RWsx1X8PV\\_A](http://www.youtube.com/watch?v=RWsx1X8PV_A) (2:30)

Maybe more discussion on Madison's comment on "angels;" voluntary exchange as "harnessing" self interest.

Another fundamental of economics: Free trade. The importance of creating value and not "creating" jobs. Friedman clip on trade:

[http://www.youtube.com/watch?v=j0pl\\_FXt0eM](http://www.youtube.com/watch?v=j0pl_FXt0eM) (6:03)

7:00 - 7:05. Break. Music, food.

7:05 – 7:15: The financial crisis and macroeconomics.

Issue of promoting "affordable housing" and how this helped create the financial crisis. Stossel, Roberts, Williams clip on promoting affordable housing.

<http://www.youtube.com/watch?v=uBVMni4B4us> (1:41)

A little background on macro. Keynes view that "animal spirits" leads individuals to irrational acts and can drive markets. into recession. Need govt. to steer markets, mostly by more govt.

spending during downturn. Hayek view that govt. monetary policy (and other policies) distort interest rates (and maybe other prices), causing “malinvestment” – investment in unproductive things – causing the decline. Need to let markets be free of these bad policies that generate the malinvestment; and let them freely self correct. Show Hayek/Keynes rap.

<http://cafehayek.com/2010/01/keynes-vs-hayek-rap-video.html> (7:30)

7:15 – 7:25. Free market environmentalism. Market solution to environmental issues is to establish property rights to environmental goods (e.g., streams, range lands, fisheries) where possible and allow trade and compensation for use. The alternative we often see: regulations and oversight of use, with harassment about “incorrect” behavior. Here’s an example of how this might work for a really important pollution problem.

Crank Yankers video on sanitary waste disposal.

<http://www.youtube.com/watch?v=QiWa3UhohT4> (3:46)

Other silly stuff that emerges from the latter approach. Feel good, but ineffectual actions. Video on “environmentally friendly” grocer.

<http://www.youtube.com/watch?v=trB5CSDmf1E&feature=related> (1:59)

7:25 – 7:35. Break. Music, food.

7:35- 7:50. How is the average person doing? Recession hurts many people. How to help the poor in this economic environment? Minimum wage? Friedman video on minimum wage.

[http://www.youtube.com/watch?v=ca8Z\\_o52sk&feature=related](http://www.youtube.com/watch?v=ca8Z_o52sk&feature=related) (3:39)

What about the middle class? The recession hurts now, but it’s important to get a broader, historical perspective on the large increase in wealth of the average person over the past decades. View the Drew Carey video from Reason TV on this.

<http://www.youtube.com/watch?v=GvvuHREm5jg&feature=related> (7:30)

7:50 – 8:00. Final segment.

Comments U.S. Constitution. Note the importance of individuals being able to make decisions in their own lives and the role of the Constitution in limiting govt. ability to supplant that. In effect, the Constitution allocates decision rights, mostly toward individuals. The original view of the Constitution has been undermined and it is worthwhile to learn more about this. But not like Barney Fife (of the Andy Griffith Show).

<http://www.youtube.com/watch?v=oBuPQgV8yBM> (2:50)

If you keep doing stuff with groups like this, here’s how you’ll end up. Video on Sarah, the new convert to market economics. <http://www.youtube.com/watch?v=olCmbcd4L0U> (2:59)