**Economist Milton Friedman**

**“Wealth, Greed, Slavery, and Colonization” assignment**

Name and date submitted (3 pts):

Instructions: Create space in the document below, and type or write your answers. Turn in your completed work by the due date.

(25 questions, 100 possible points).

Background

Any student of Economics and Government needs to be familiar with Milton Friedman.

Milton Friedman is perhaps the most famous free-market Economist of the past 100 years. He was an outspoken advocate of free-market economics during a time when the Soviet Union (Russia) was spreading Communism all around the globe. Dr. Friedman wrote many influential books, was awarded the Nobel Prize in Economics, and served as President Reagan’s chief economic advisor.

Part 1: Watch the video on “Responsibility to the Poor” <https://www.youtube.com/watch?v=Rls8H6MktrA>

1. (0:00 - :45) Summarize the student’s question(s) in your own words.
2. (0:50-1:05) Who is “responsible”? WHY?
3. (1:05-1:55) What system has worked the best to alleviate poverty? WHY?
4. (1:55-4:40) What have been the causes of high youth unemployment? What does Friedman say about the following?
5. the education system
6. the minimum wage
7. the welfare system
8. (4:40-end) Putting things in perspective. How do our “poor” compare to the average citizen of the Soviet Union (the old Communist Russia), China, and India?

Part 2: Watch the video on “Greed” <https://www.youtube.com/watch?v=RWsx1X8PV_A>

1. (0:00-0:23) Summarize Phil Donahue’s comments/questions in your own words.
2. (0:23-0:40) Summarize Dr. Friedman’s initial response to the idea of “greed”.
3. (0:40-1:12) Friedman expands his answer a little bit. What is he saying here, in your own words?
4. (1:12-1:39) Summarize in your own words.
5. (1:37-2:03) Donahue says that “capitalism isn’t virtuous”. What arguments does Friedman use here?
6. (2:03-end) Is political self-interest more “virtuous” than people seeking their own economic self-interest? In other words, are high-sounding politicians more virtuous than the average, common people who are trying to seek their own economic well-being? Your thoughts….?

Part 3: Watch the video on “Redistribution of Wealth” <https://www.youtube.com/watch?v=MRpEV2tmYz4>

1. (0:00-1:30) The student questioner is stating that to make things “fair”, the rich should give their wealth to the poor. This is known as “redistribution of wealth”. Summarize the student’s basic argument in your own words.
2. (1:30-1:54) Dr. Friedman ‘re-frames’ the student’s question. Summarize in your own words.
3. (1:54-2:10) What is the student’s next idea? What is “inheritance tax”? You will need to look this up on the Internet….
4. (2:10-2:42) What is one of the biggest incentives for people to work hard and improve their economic situation?
5. (2:42-3:15) What would be the effect of a 100% inheritance tax? WHY? Explain what the harm would be…
6. (3:15-end) What is one way the free market system incentivizes people to work and save and build wealth?

Part 4: Watch the video on “Slavery and Colonization” <https://www.youtube.com/watch?v=4xeebU8VhmY>

1. (0:00-2:10) Summarize the student’s questions in your own words. You may want to simply list a series of short questions, it’s up to you.
2. (2:10-2:40) Dr. Friedman first asserts that ‘all countries’ are capitalist in a sense. Explain what he means in your own words.
3. (2:40-3:13) Capitalism is a “necessary condition” for a free society, but not a “sufficient condition” for freedom. Summarize what Dr. Friedman is saying here.
4. (3:13-3:30) What else does a free society need?
5. (3:30-4:45) Is it true that the well-being of the free countries of the west (Western Civilization) arose out of slavery? Summarize Friedman’s argument from the examples of Britain, Japan, Hong Kong and China.
6. (4:45-5:20) Is it true that the benefits of the West came from exploiting their Colonies? Summarize Friedman in your own words.
7. (5:20-7:40) Summarize the experiences of Africa, India, and the countries in Eastern Europe which were at this time (1970’s) occupied by the Soviet Union.
8. (7:40-end) Was the United States ever a “Colonial Power”? Was the economic growth of the U.S. in the 1800’s a result of having a big “colonial empire”? Explain.