

Rotary
Club of
Charlotte



REPORTER

October 16, 2018

JIM OTTESON
Wake Forest University
The Moral Case for Capitalism



Benton Bragg introduced our speaker, Jim Otteson. Jim earned his Bachelor of Arts degree from the University of Notre Dame. His sophomore year was spent abroad studying at the Universität Innsbruck in Innsbruck, Austria. After completing his undergraduate degree, he attended the University of Wisconsin–Milwaukee, earning a MA in Philosophy in 1992. He then joined the Philosophy Department at the University of Chicago, receiving a Ph.D in 1997. Upon graduating from Chicago, he took a position in the Philosophy Department at the University of Alabama, where he began as an assistant professor, received tenure, and rose to become department chair. In 2007, he accepted a position as joint professor of philosophy and economics, and director of the honors program, at Yeshiva University in New York City, New York. He moved to Wake Forest University in 2013.

He has held visiting scholar positions at the Social Philosophy and Policy Center, then located at Bowling Green State University; at the Centre for the Study of Scottish Philosophy, then located at the University of Aberdeen; at the Institute for Advanced Studies in Humanities at the University of Edinburgh; in the Economics and Philosophy Departments at the University of Missouri-St. Louis; and in the Government Department at Georgetown University. He has also taught in the Economics Department at New York University.

Jim is professor of economics and the Thomas W. Smith presidential Chair in Business Ethics at Wake. His books have included *Adam Smith's Marketplace of Life*, *Actual Ethics* and *The End of Socialism*, all three published by Cambridge. His most recent books are *The Essential Adam Smith* and *Honorable Business: A New Framework for Business in a Just and Humane Society*.

He lectures widely on Adam Smith, classical liberalism, political economy, business ethics, and related issues, including for the Fund for American Studies, the Adam Smith Society, the Acton Institute, the Institute for Humane Studies, and the Tikvah Fund.

Jim asked why anyone would support a market-based commercial society. Critics would say that markets lead to poverty, unfairness and inequality. Jim has an alternative theory and that is that there are three reasons to support a market

based commercial society. It actually addresses concerns about poverty, unfairness and inequality. It is important to note that Jim is making a moral case not one based on efficiency.

Jim started with a perspective on poverty. In looking at prosperity over the last 12,000 years the average person before 1800 was no better off than he or she was in 100,000 BC. The average person lived on \$1 to \$3 per day per person for all those many years. Today the average person in the world lives on \$47 per person per day. The average person in the U.S. lives on \$163 per day per person.

What changed in 1800? There was a transition in the world from an exchange based on extraction (zero sum transactions) to an exchange based on cooperation (positive sum transactions). In a cooperative exchange, there is mutual voluntary and thus mutually beneficial exchange and there exist institutions of justice that protect person, property and promise.

Jim mentioned that when wealth increases, thirteen other measures also increase. Those areas include life expectancy, infant survival, child nutrition, literacy, food production, access to health care, access to safe water, research and development, political stability, peace, life satisfaction, civil rights & democracy, and environmental protection. So people can go from a focus on survival to a focus on meaning and purpose. According to Jim, human well-being consistently tracks positively with private property rights and competitive markets.

In looking at fairness, Jim discussed a political philosophy called “luck egalitarianism” that says luck plays a role in life and there should be a redistribution of goods and means from the lucky to the unlucky. Jim has an alternative proposition that says undeserved bad luck and reasonable disappointment do not necessarily require compensation and that is a fair proposition. If Coffee Shop B moves near Coffee Shop A and takes many of their customers that is lamentable but not an injustice requiring compensation or punishment. Coffee Shop A had no right to the patrons.

In looking at material inequality, consider two people. One person has hundred times as much as the other person. That is not a failure of justice unless that wealthier person took that wealth by force or fraud.

According to Jim and paraphrasing Adam Smith, we expect goods and services from others not based on their benevolence but from their regard to their own self-interest. We talk about their advantages not our necessities. That is respectful. So, for Jim, the power of markets historically has provided unprecedented material prosperity and respect of individual dignity and that represents true social justice.

Speaker Write-Up: Jim Kelley; *AV:* Tom Bartholomy; *Head Table:* Lynn Johnson, Mike Hawley, Benton Bragg, Mary Vickers-Koch; *Invocation:* Mike Rash; *Visitors & Guests:* Phil Volponi; *Photos:* Bert Voswinkel

CLUB NEWS

Next club social: TONIGHT! October 17, 2018 at Red Clay Cider Works, 245 Clanton Road, Charlotte – 6PM



On the left is **Bill Loftin**, co-chair of the Student Exchange Program. On the right is **Kuba**, the club's exchange student from Poland who is attending South Mecklenburg High School. This picture is being featured again because a host family **MUST** be in place by Thanksgiving for our guy Kuba. This club is committed to Youth Exchange and everyone is asked to support this effort. If you can provide this opportunity or have a friend/neighbor that can host for a three month period, please reach out to Bill (bill@loftinco.com).

Warm clothing donations to benefit Crisis Assistance Ministry may be dropped off at the table set up in the hotel's parking through November 5. Consider warm clothing for men, women, children: blankets, gloves, coats, clothing. Thanks to **John Cantrell** and **Glenn Bouley** for delivering the donations to Crisis Assistance Ministry each week.

Congratulations to winners of the Golf Raffle!

1 night stay at the Hampton Inn, Phillips Place & dinner at The Palm – **Jim Haney**
Dinner at the Charlotte City Club and CPCC Theatre tickets – **Chase Saunders**
Weekend in Linville Falls, Jesse Brown's Outfitters goodies and Wine – **Biff Virkler**
One year certificate for Auto Bell Car Wash – **John Phillips**
Belk gift card – **Rudy Rudisill**
Custom tailored shirts and golf bag – **Hunter Widener**
Charlotte Knights tickets, buffet access & Knights prize package – **Steve Meckler**
Panther tickets and watercolor drawing – **Carolyn Carlburg**

Greg Reagan...Men's age 55+ USTA division 3.5 singles NC State tennis champions!

Last week's Hurricane interrupted the District's **Duck Race For Polio**. Rain date is Saturday, October 20, 2pm-6pm, Tailrace Marina (1000 Marina Village Dr, Mt. Holly, NC), Visit bit.ly/duckraceforpolio now to rent those ducks! 1 for \$10, 3 for \$25, 15 for \$100. Do not have to be present to win. Prizes: new car, \$2500 to fastest duck, 10 lucky duck prizes.

MEMBERSHIP

07/01/2018 288
10/016/2018 280
Net Increase: -8
New Members:
Resignations: Frank Watson

Visitors 7
Club Members 124
Total 131 (51%)

Guests: Kristin Dechene Campbell, Johnny Butler, James Estes, Frank Bragg, Scott Gakenheimer, Andy Ross

BIRTHDAYS (10/24/18 – 10/30/18)

10/24 Jerry Walters, Charlie Greer
10/25 Kim Kelley
10/26 Wes Sturges
10/27 Bob Knight

10/28 Jim Hintz
10/29 Alexandra Myrick

WEDDING ANNIVERSARIES (10/24/18 – 10/30/18)

10/25 Meredith & Jonathan Schulz
10/27 Durenda & Tom Bartholomy
10/27 Daphne & Tom O'Brien
10/27 Leslie & Andy Dinkin

ROTARY ANNIVERSARIES (10/24/18 – 10/30/18)

05 years – Keith Nowokunski
13 years – Sandy Osborne
16 years – Tom Wright

UPCOMING PROGRAMS

10/23 Tom Murray, CEO, Charlotte Regional Visitors Authority – *“Winning the jobs game”*
10/30 Josh Stein, Attorney General, North Carolina
11/06 Michael Bitzer, Professor of Politics, Catawba College – *“Perspectives on what you’ll wake up to the next morning”*
11/13 Rotary District David Hare

Photos from our luncheons and other events can be found on Flickr [Click here](#)





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