



# INDIANA UNIVERSITY BLOOMINGTON OSTROM WORKSHOP

## COLLOQUIUM SERIES

### Art Carden

*Samford University, Brock School of Business*

Monday, October 11: 12:00 – 1:00 pm ET

Virtual via Zoom: [Click here for link to Zoom meeting](#)



### Consumer Sovereignty and W.H. Hutt's Critique of the Color Bar

William Harold Hutt introduced the notion of “consumers’ sovereignty” into economics. He was also a fierce critic of South African apartheid. In this paper, we explore how apartheid was objectionable from the perspective of consumers’ sovereignty, including Hutt’s analysis of why capitalists opposed while white labor unions supported apartheid. We also explore Hutt’s skepticism of “one man, one vote” democratization in postcolonial Africa and report evidence that his skepticism was motivated by his concerns about institutional continuity. Hutt’s market process approach offers insight into capitalist opposition to apartheid, while his public choice analysis of majoritarianism clarifies the significance of political constraints to improve prospects for political order. Whereas a standard Chicago School analysis of South Africa might emphasize the role of rent-seeking by white labor unions as perpetuating apartheid, Hutt incorporated bureaucratic interests (thus integrating Public Choice insights), recognized markets as a force to liberate labor (as Austrians emphasize), as well as understood the importance of institutional design in stable democracy (anticipating much subsequent research in comparative historical political economy).

**Art Carden** is Professor of Economics and Medical Properties Trust Fellow at Samford University in Birmingham, Alabama. He is also a co-editor of the *Southern Economic Journal*, and his research has appeared in the *Southern Economic Journal*, *Business Ethics Quarterly*, *Public Choice*, the *Journal of Urban Economics*, *Contemporary Economic Policy*, and other journals. His book coauthored with Deirdre Nansen McCloskey titled *Leave Me Alone and I’ll Make You Rich: How the Bourgeois Deal Enriched the World*, was published in 2020.

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*Due to the COVID-19 pandemic, all Ostrom Workshop presentations will be virtual until further notice. Join instantly using the link above. For questions, contact Allison Sturgeon ([sturgeon@iu.edu](mailto:sturgeon@iu.edu))*