

**ISS 315 – FALL 2022**  
**GLOBAL DIVERSITY AND INTERDEPENDENCE – SECTION 002**

**GOVERNMENT, TRUST, AND MONEY: FROM GOLD AND  
SILVER TO BITCOIN**

**CENTER FOR INTEGRATIVE STUDIES  
COLLEGE OF SOCIAL SCIENCE**

**Monday, Wednesday 3:00-4:50  
Conrad Hall 102**

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# PART 1: COURSE INFORMATION

## Course Description

This course explores the relationship between money, politics, and government. We will consider how money has emerged, and its historical connection to government power. We will be particularly focused on questions of social trust. A successful currency needs to be trusted, and the governments that administer that money often abuse that trust. We will consider why that is and explore the consequences. We will also consider the various institutional, political, and technological innovations developed to support trust in money.

We will also consider the relationship between government and money as an expression of social and political preferences. Governments can manage money in various ways, and those choices typically create winners and losers. How societies define and manage money is often best understood not as a technical solution to a technical problem but as an expression of societies' preferences vis-à-vis government.

## Textbook & Course Materials

There are two required books for this course.

1. Jacob Goldstein. 2020. Money: The True Story of a Made-Up Thing. Hachette Books.
2. Adam Tooze 2018. Crashed: How a decade of financial crises changed the world. Penguin.

These books can be purchased online or from local booksellers. Of these, the “main” book will be Goldstein, and we will be relying on that throughout the semester.

## Recommended Texts & Non-Required Readings:

Assigned readings beyond what is in those books will be made available through the course D2L page. Those readings are a mix of book chapters, articles, and links to podcast episodes. If I assign a chapter or less of a book, I make a pdf of the chapter rather than require the book be bought.

A final thing to note is that the lectures will often go substantially beyond the readings. That means that you need to be in the lecture to absorb all the material. However, you may want to go back and read some of the material I used to put together the lectures. I have provided a partial list of those source materials under “Non-Assigned Readings.” Three books that will feature heavily in the unassigned reading and which might be worth buying if you want to get the most out of the course are:

1. Stefan Eich 2022. The Currency of Politics. Princeton University Press
2. Graeber, D. (2012). Debt: The first 5000 years. Penguin UK
3. Desan, C. (2014). Making money: coin, currency, and the coming of capitalism. Oxford University Press, USA.
4. Barry Eichengreen 2019 Globalizing Capital: A History of the International Monetary System - Third Edition Princeton University Press

## Course Format

This course will operate along two related tracks. Track 1 will be a traditional lecture course. Every class session comes with required and suggested reading and will feature a lecture on that material. Lectures will run roughly 60-80 minutes. Students are responsible for the material in the readings and the lectures.

## Investment Project

The second track of the course will be an investment project that will pick up in October. Students will be placed in groups of 6, and I will assign each group a different currency (Euros, Yen, Pesos, etc.). The groups will, in turn, be organized into departments defined by continent: one dedicated to Asian currencies, another to African currencies, etc.

The organization of these groups is better understood in the following flow chart. This is an example to show the organization; there will be more groups than shown here.



The basic idea of the investment contest is that departments compete against other departments for extra credit. The groups don't invest; the departments do. Group members follow their currency to make an investment recommendation to the department. But it is the departments that make investment decisions on behalf of all their members (regardless of group) and the departments that compete against each other. If they chose, the department could decide not to invest in any of the currencies covered by the groups, and instead invest in a cryptocurrency. Each department will be assigned its own cryptocurrency for that purpose.

Investment contest activities take place every other Monday after the lecture. At that time, groups will meet for 10 minutes to review what happened to their currency's price over the week and why. 10 minutes is not much time, so students should arrive in class on Monday with some pre-existing sense of what happened and an informed guess about what might happen next. To make your lives

easier, I will prepare a spreadsheet on the class D2L page that will track the price movements for all the currencies we use.

A department meeting will follow the group meeting. The groups will report their findings to the department, and the department will vote on how to invest. I will then make a (pretend) investment on the department's behalf. If the Latin American group votes for Chilean Pesos, I will buy Chilean Pesos. If the African group decides I should buy Egyptian Pounds, I will buy Egyptian Pounds, etc. There are 4 investment rounds over the course of the semester. Most rounds last two weeks, but it's not exact. The investment rounds are as follows:

Round 1: 10/03 – 10/17

Round 2: 10/17– 11/7

Round 3: 11/7 - 11/21

Round 4: 11/21 – 12/7

Departments compete against each other for extra credit. At the end of a round, the department that finishes first (i.e., the one whose investment performs best over the intervening period) gets 10 points of extra credit, and the department that finishes second gets 5 points. The overall winner—i.e., the department with the highest returns from the beginning of the course—will receive 15 extra credit points. Thus, the maximum amount of extra credit points a person can receive from this project is 55 points (winning each of 4 10-point rounds, plus 15 points for winning the overall contest), which is roughly equal to a grade.

So hypothetically, if your department really nails the investment contest, all its members' 3s become 3.5s, the 3.5 become 4s., etc.

Why are we doing an investment contest? The purpose of all this is 1) to have fun and 2) to get a sense of how these currencies function as stores of value. How volatile are they, and why? What is the relationship between the value of money and politics (broadly defined)?

To underline that connection between the investment contest and politics, during off Mondays (that is, the Mondays where we are not doing the investment contest), I will use about 10 minutes of the post-lecture time to explain some of the news from the prior week that speaks to the relationship between politics and money. It will be like a current events presentation, except I will make the presentation, and it will always be about money.

### Wednesday Assignment

The investment competition groups will also form the basis of the Wednesday activity, which will similarly take up (roughly) 45 minutes of class time after the lecture ends. After the Wednesday lecture, every group will have to write a short (~2-paragraph) essay responding to a prompt. Some of the prompts will ask you about your currency. Others will ask you to relate your currency to that week's readings & lecture, and others will just ask you to respond to the ideas covered in that week's lectures.

The prompts are all given ahead of time, so you will have ample time to prepare. Over the semester, these short essays will accumulate into a narrative that traces the history of your currency and its promise (and peril) as a form of money. The topics in these essays (and, if you choose the essays themselves) will form the basis of the final paper.

I will insist that the first few Wednesday assignments be done in class, but after we get the hang of it you and your group will be free to go elsewhere to write it. You are also free to stay in the lecture hall. Either way, the assignment will be due to the marked assignment tab in D2L at 7:00 pm Wednesday.

## Grades

There will also be a midterm exam, a final exam, and a final paper. The midterm and final exams will be multiple-choice exams focused on retention from the reading and lectures. I retain the right to add an essay portion if I see fit.

The final paper will be a ~5-page essay that asks you to describe your group's money and assess its strengths and weaknesses, with specific reference to course readings. The course will cover many arguments about what is good and bad regarding government-controlled money. The paper is an opportunity for you to show me that you learned a handful of those concepts well enough that you can apply them to the real-world example of your currency.

Grades for this course will accumulate as follows:

Wednesday Group Papers 300  
Midterm 200  
Final Exam 200  
Final Paper 300

Extra Credit to the Investment project winners: up to 55 points. Those points will be accumulated into a final grade as follows.

Points	Grade
900—1000	4.0
850—899	3.5
800—849	3.0
750—799	2.5
700—749	2.0
650—699	1.5
600—649	1.0
599 and below	0.0

## Course Objectives

At the end of this course students should understand:

1. The politics of money and monetary policy, both as a feature of domestic politics and international relations.
2. How those politics have developed over the past several centuries.
3. How to apply the lessons of that history to contemporary debates about money in modern American society.

In addition to those, students who complete an ISS course at MSU are expected to demonstrate at least three of the five knowledge, attitude and skill dimensions associated with the following MSU Undergraduate Learning Goals:

- ❖ *Analytical Thinking*
- ❖ *Cultural Understanding*

- ❖ *Effective Citizenship*
- ❖ *Effective Communication*
- ❖ *Integrated Reasoning*

This course will touch on those skills in the following ways

### ISS Undergraduate Learning Goals Rubric: 300 Level Courses

ISS ULG Dimension	Developing Level	Assessment Assignment(s)
<b>Analytical Thinking</b>		
Acquires, analyzes, and evaluates information from multiple social science sources.	Retrieves information from a limited range of social science sources and identifies biases, strengths, and weaknesses within those sources.	Investment project/Final Paper .
Synthesizes and applies information within and across social science disciplines.	Identifies how information can be conceptualized differently within various social science disciplines.	Investment project/Final Paper .
<b>Cultural Understanding</b>		
Demonstrates awareness of how diversity emerges within and across cultures.	Understands culture and diversity as dynamic and contextual.	Final Paper
<b>Effective Citizenship</b>		
Understands the structures of local, national, and global governance systems and acts effectively within those structures in both individual and collaborative ways.	Identifies strengths and challenges within institutional structures to address societal issues in individual and collaborative ways.	
<b>Integrated Reasoning</b>		
Uses a variety of inquiry strategies incorporating multiple views to make value judgments, solve problems, answer questions, and generate new understanding.	Identifies distinct and valid inquiry strategies associated with specific social science fields of study and experiments with strategies within and/or across disciplines.	Investment Project

### Goals of Integrative Studies in Social Science

The Integrative Social Science (ISS) core curriculum provides an interdisciplinary introduction to the body of knowledge, theory, practice, and methods that the social sciences bring to an understanding of the human condition.

ISS courses are designed to help students learn to better acquire, analyze, and evaluate information from multiple social science sources; synthesize and apply information within and across the social science disciplines; demonstrate awareness of how diversity emerges within and across

cultures; understand the structures of local, national, and global governance systems; and, use a variety of inquiry strategies incorporating multiple views to make value judgments, solve problems, answer questions, and generate new understanding.

This course is designated as International (I) and has been approved as fulfilling one course toward the University Diversity Requirement. Courses designated as International (I) emphasize international or global issues, ideas, and perspectives. The “I” designates a focus on one or more non-U.S. contexts and diversity topics as they unfold in these contexts. Non-U.S. examples and readings play a dominant role in shaping the lens through which diversity is addressed. The learning objectives and outcomes of the course will emphasize this designation and provide a guide for how this course furthers understanding of diversity at MSU and beyond.

## **Part III: LECTURE SCHEDULE**

### **Wednesday, August 31: Introduction/Syllabus Overview**

**Assigned Reading:**

- None

**Lecture:** This lecture introduces the course’s main themes and goes through the syllabus. The central theme is that modern conceptions of money have always been tied to political authority and perceptions thereof. The power to define money (and enforce a definition of money) is a big part of “stateness.” The secondary theme of the course is that money is also an area of significant class conflict. There is no technically “correct” way to manage money. Money has historically taken many forms and served different social interests. Debates about what money “is” are often better understood as debates about what money certain people prefer. Challenges to prevailing perceptions of money are typically a part of broader challenges to prevailing modes of political power. We will come to understand Bitcoin and other cryptocurrencies through that lens.

### **Monday, September 5: No Class, Labor Day**

### **Wednesday, September 7: Premodern Money; Ancient Greece and the Rise of Coins**

**Assigned Reading:**

- Goldstein 3-33

**Non-Required Reading:**

- Graeber Ch. 2

**Lecture:** This lecture considers the origins of coin-based money in ancient Greece and the political & economic conditions that allowed coins to take off. In doing so, we will compare this “modern” version of money with pre-coinage, debt-based versions of money.

## Monday, September 12: Money, Ethics, and Religion in the Ancient World

### Assigned Reading:

- Eich Ch 1

### Non-Required Reading:

- Graeber Ch 9

**Lecture:** This lecture will consider some of a monetized society's ethical or moral consequences. As Eich notes, Aristotle wrote extensively on how moving from pre-modern “social” currencies to modern “monetized currencies” altered social relations and severed “commercial” and “ethical” spaces from each other. Graeber notes the connection between the introduction of coinage and the rise of modern religions. We will consider these altered relationships to the role that the state played in those pre-modern monetary systems, with particular attention to the ancient practice of a debt “Jubilee” and compare that to the recent debt relief proposed by President Biden.

## Wednesday, September 14: Why is money valuable? Money in Rome, Spain, Venice, and Song Dynasty China

### Assigned Reading:

- Graeber Ch. 3 (focus on pages 45-52; you may want to skim chapter 2 as well)
- Harari, Yuval. 2015 Sapiens: A Brief History of Humankind, Chapter 10.

### Non-Required Reading

- Stasavage, D. (2007). Cities, constitutions, and sovereign borrowing in Europe, 1274–1785. *International Organization*, 61(3), 489-525. Focus on pp.489-494; 500-505
- Ferguson, Niall. “The Ascent of Money,” pages 17-25.
- The Fall of Rome Podcast Episode, The Roman Economy Before the Fall.
  - <https://podcasts.apple.com/us/podcast/the-roman-economy-before-the-fall/id1141563910?i=1000380732517>
- The Fall of Rome Podcast Episode, The Fall of the Roman Economy.
  - <https://podcasts.apple.com/us/podcast/the-fall-of-the-roman-economy/id1141563910?i=1000381324782>
- Katsari, C. (2015). *The Roman Monetary System*. Cambridge Books. (Ch. 7)
- Goetzmann, W. N., & Rouwenhorst, K. G. (2005). *The origins of value: The financial innovations that created modern capital markets*. Oxford University Press, USA. (Chapter 9)

**Lecture:** There are two primary historical schools of thought about how money gets its value. “Metallism” suggests that money’s value is inherent to the commodity it is made of. Gold coins, in



this view, derive their value from the gold they are made of. “Chartalism” argues that money’s value comes from the government that issues it. In this view, money is valuable because people need it to pay taxes and fines to political authorities. We examine chartalist and metallist interpretations of money’s value in several notable historical examples: Song dynasty China, Rome, Spain, Venice, and Amsterdam. We will further consider the philosophical consequences of Spanish financial failure by considering the Salamanca philosophical School.

## **Monday, September 19: Money in the UK part 1: The Fall of Rome through John Locke**

### **Assigned Reading:**

- Blyth, M. (2013). *Austerity: The history of a dangerous idea*. Oxford University Press., Ch 104-117

### **Non-Required Reading:**

- The Fall of Rome Podcast Episode, The Catastrophic Fall Of Roman Britain.
  - <https://podcasts.apple.com/us/podcast/the-catastrophic-fall-of-roman-britain/id1141563910?i=1000376050754>
- North, D. C., & Weingast, B. R. (1989). Constitutions and commitment: the evolution of institutions governing public choice in seventeenth-century England. *The journal of economic history*, 49(4), 803-832;
- Eich Ch 2
- Desan Chs. 1-8

**Lecture:** Britain plays a key role in monetary history, so we will spend a fair amount of time learning about the history of money in Britain. This is the first of three lectures on that topic. This lecture covers a lot of ground. We will take a broad look at the history of British money from “demonetization” after the Fall of Rome in 400 AD through the Glorious Revolution in 1688 and the advent of liberal philosophies of money, notably John Locke.

**Monday Investment Project:** Introduction to Tracking Currency Prices

## **Wednesday, September 21: Money in the UK part 2: The Suspension Crisis of 1797 and the Bank of England**

**Assigned reading:**

- Goldstein 55-74
- Unto us a lender of last resort is born: Overend Gurney goes bust in 1866  
<https://bankunderground.co.uk/2016/12/21/unto-us-a-lender-of-last-resort-is-born-overend-gurney-goes-bust-in-1866/>

**Non-Required Reading:**

- Eich ch 3, focus on pages 76-97
- Desan ch. 9-11

**Lecture:** This lecture will cover the early gold standard and why it was almost immediately abandoned in the face of a French invasion. This lecture will pick up on the last to consider the creation and evolution of the Bank of England, which would become the monopoly issuer of currency, and then “invent” our modern notions of money and central banking. We will consider the BOE’s handling of the Overend Gurney crisis and what it means for “good governance” of the money. We will contrast the BOE Pounds with French Assignats.

**Wednesday Paper 1:** What is the name of your currency? At the time of writing, how many dollars can you buy with one unit of your currency?

## Monday, September 26: No Class, Rosh Hashanah

## Wednesday, September 28: Mundell-Fleming

**Assigned reading:**

- Oatley, 279-282, 339-349, including “A Closer Look: Unholy Trinity”
- The Economist “Two out of three ain’t bad.” <https://www.economist.com/schools-brief/2016/08/27/two-out-of-three-aint-bad>

**Lecture:** We’re getting close to the classical gold standard. To understand why this is so important, we need to take a step back and understand the Mundell-Fleming model. This lecture will cover the intuition behind the Mundell-Fleming Model. This is a more economics-forward lecture than is typical for the course.

**Wednesday Paper 2:** Does a central bank control your currency? If so, what is the central bank’s name, and when was it created? What is the name of its President (or Chairperson, or whatever the top official in your central bank is called)? At the time of writing, how many dollars can you buy with one unit of your currency? Has its value (in terms of dollars) gone up or down since the last paper?

## Monday, October 3: The Classical Gold Standard

### Assigned reading:

- Eichengreen, B. (2019). Globalizing capital. Princeton University Press. Ch. 1, 2

**Lecture:** This Lecture will cover the introduction of the gold standard and its relationship to the Mundell Fleming Model. The big takeaway is that the Gold Standard was more than just an idea about money. The Gold Standard was an idea about defining (and severely limiting) the government's role in economic life. And more than anything else, the gold standard was only sustainable to the extent that financial markets believed the governments were committed to those ideas.

**Monday Investment Project:** Meet in Groups/Departments and make the first investment decision.

## Wednesday, October 5: No Class, Yom Kippur

## Monday, October 10: Money in the US: 1776-1861

### Assigned reading/listening:

- Goldstein 101-128;
- The Bank War
  - <https://www.npr.org/sections/money/2017/03/24/521436839/episode-761-the-bank-war>

### Non-Required Readings:

- The First Bank of the United States
- <https://www.philadelphiafed.org/-/media/frbp/assets/institutional/education/publications/the-first-bank-of-the-united-states.pdf>
- The Second Bank of the United States
  - <https://www.federalreservehistory.org/essays/second-bank-of-the-us>

**Lecture:** This lecture considers the history of money in the United States and compares them to British ideas and history with money. It will cover colonial currencies, the Continental currency issued during the Revolutionary War, the creation and dissolution of the first and second Bank of the United States, and the Jacksonian era of Wildcat Banking. The two defining features of this lecture are a mistrust of centralized power, including centralized control over money, and the role that wars (the revolutionary war and the war of 1812) had in reshaping the government's role in money. We will also consider how and in what form the class conflicts over money that emerged in England following the Glorious Revolution get translated into an American context.

**Monday Investment Project:** Currency News Review

## Wednesday, October 13: Money in the US: 1861-1929

### Assigned reading:

- Goldstein 128-148

### Non-Required Reading:

- Lowenstein, R. (2015). *America's Bank: The Epic Struggle to Create the Federal Reserve*. Penguin.
- **Planet Money Summer School 7: The Fed & Volcker's Socks**—listen until 13:30
  - << <https://www.npr.org/2022/08/24/1119331894/planet-money-summer-school-7-the-fed-volckers-socks>>
- Hall, George, Jonathan Payne, Thomas J. Sargent, and Bálint Szőke. *Costs of financing US federal debt: 1791-1933*. No. 2021-25. 2021.

**Lecture:** This lecture covers the evolution of money in the United States from the civil war through the election and 1896 and into the Great Depression. The main themes of the lecture are the transformation of the US dollar after the Civil War and the various ways that even the newly updated dollar was not up to the task of serving a major, diverse economy. In social terms, rising populism created demands that money be brought under public, democratic rule. In practical terms, the US was prone to frequent financial panics, suggesting the need for a European-style central bank. We got one, the Federal Reserves, but it performed badly during its first big test in 1929.

**Wednesday Paper 3:** Why was government control of money so controversial in the US and the UK? Why would people not want the government to have that much power? What would Andrew Jackson think of your currency?

## Monday, October 17: The Fall of The Classic Gold Standard

### Assigned reading:

- Eichengreen, B. (2019). *Globalizing capital*. Princeton University Press. Ch. 3

**Lecture:** This lecture considers the rise and fall of the classical gold standard, focusing on Europe. Much like the US before it, in the early 20<sup>th</sup> century, Europe starts to feel the pinch of politics in the Gold Standard. As more people become politically enfranchised following WWI, it becomes harder to justify a concept of money that is out of popular control. As politics moves, the trust that holds the system together starts to fall apart.

**Monday Investment Project:** Meet in Groups/Departments, consider week-to-date price movements and make the second investment decision.

## Wednesday, October 19: Midterm Exam

## Monday, October 24: Fall Break

## Wednesday, October 26: Interwar Chaos

### Assigned reading:

- Why the New Deal Matters, Rauchway Chapter 1

**Lecture:** This lecture paints a picture of interwar chaos as a crucible for future beliefs about politics and money. This chaos is monetary—Weimar and Chinese hyperinflation, for example—geopolitical, but above all, social. There is a genuine concern that the liberal democratic/capitalist system will fall to either socialism or fascism. This lecture sets the stage for the following lecture on Keynes and Bretton Woods, as well as subsequent lectures on the Austrian school, both of which are, in part, reactions to the interwar disorder.

**Wednesday Paper 4:** How can a currency contribute to social stability? Is that an essential attribute of a currency? Why might someone not want a currency that responds to social instability? Have there been any recent episodes in which your currency has contributed to social stability? (Possibilities include: lowering interest rates during COVID, regulating banks during a financial panic, etc.)

## Monday, October 31: Bretton Woods

### Assigned reading:

- Oatley, 291-299;
- Jeffrey A. Frieden, *Global Capitalism* (Norton, 2006), 256-60, 278-300.

### Non-Required Reading:

- Eich Chapter 5;
- Graeber ch. 12

**Lecture:** This lecture describes the Bretton Woods system and how its chief negotiators (John Maynard Keynes and Dexter White) saw the need for a revamped monetary system. We will also explore Bretton Woods as a particular trade-off within the Mundell Fleming model.

**Monday Investment Project:** Currency News Review

## Wednesday, November 2: Fall of Bretton Woods

### Assigned reading:

- Frieden ch. 15 339-360

### Non-Required Reading:

- Eich Chapter 6

**Lecture:** Bretton Woods didn't last. This lecture discusses why and previews the monetary and social chaos that accompanied the first few years of the post-Bretton Woods world. This lecture sets the stage for the Reagan-era backlash against too much democracy in monetary policy.

**Wednesday Paper 5:** To what extent is your money subject to democratic oversight? What would the benefits of democratic oversight be?

## Monday, November 7: The Austrians

### Assigned reading:

- Slobodan, Chapter 1;
- Hayek, Denationalization of Money pg 17-33 <https://iea.org.uk/wp-content/uploads/2016/07/Denationalisation%20of%20Money.pdf>

### Non-Required Reading:

- Listen to: A History of Neoliberalism With Quinn Slobodian. The Dig Radio. << <https://thedigradio.com/podcast/a-history-of-neoliberalism-with-quinn-slobodian/>>>

**Lecture:** This lecture goes back to the interwar chaos. Remember when Keynes looked at the wreckage of the interwar years and said we need a monetary system that allows for a more durable version of capitalist democracy? Others looked at the same situation and came to the opposite conclusion. The Austrians saw in the fall of the gold standard the disintegration of a social order: limited national government, globalism, and capitalist social dominance. That social order was just and needed to be brought back. Hayek's idea was partly to reimpose that order by getting the state out of the money business. Friedman took a softer stance—monetarism—but it too rejected Keynesianism, limited the state to monetary policy, and allowed capitalism to take the reins from there.

**Monday Investment Project:** Meet in Groups/Departments, consider week-to-date price movements and make the third investment decision.

## Wednesday, November 9: The Volcker Shock

### Assigned reading:

- Inflation Politics with Tim Barker on the Dig July 28, 2021: <https://www.thedigradio.com/podcast/inflation-politics-with-tim-barker/>
- **Planet Money Summer School 7: The Fed & Volcker's Socks** << <https://www.npr.org/2022/08/24/1119331894/planet-money-summer-school-7-the-fed-volckers-socks>>> start at 13:30

**Lecture:** This lecture considers the adoption of Austrian ideas into American governance in the early 1980s. Austrian ideas had been around in US political circles since at least Goldwater, but it was not until the general distaste for the social disorder and inflation of the 1970s that Carter and then Reagan introduced them into American policymaking. Volcker reimposed hard-money, inflation-averse norms into American politics. He “solved” inflation and reimposed a social order that hadn’t existed since the New Deal. In the process, he caused a giant recession and instigated a global debt crisis that spread these ideas globally in its aftermath.

**Wednesday Paper 6:** What would an Austrian School economist think about your money, and why? Has your currency had a high amount of inflation historically?

## Monday, November 14: Central Bank Independence & Exchange Rates

### Assigned reading:

- Broz, J. L. (2002). Political system transparency and monetary commitment regimes. *International Organization*, 56(4), 861-887.

### Non-Required Reading:

- Downey, L. (2021). Delegation in democracy: a temporal analysis. *Journal of political philosophy*, 29(3), 305-329.

**Lecture:** Volcker became a model of “good” monetary management. This spawned new thinking on how other governments could replicate Volcker’s success. One way to do that was central bank independence to keep money as far as possible from politics while still maintaining democratic politics. Another way of achieving a similar end was adopting a fixed exchange rate policy.

**Monday Investment Project:** Currency News Review

## Wednesday, November 16: The Euro

### Assigned reading:

- Goldstein 169-185;
- Greg Palast. “Robert Mundell, evil genius of the euro,”  
<https://www.theguardian.com/commentisfree/2012/jun/26/robert-mundell-evil-genius-euro>

**Lecture:** This lecture explores the Euro, particularly its creation. It draws attention to the influence of Austrian-inspired thinking about the role of money, as well as the role of corporate interests.

**Wednesday Paper 7:** Describe your currency's central bank and exchange rate regime. Is the central bank independent? Is the exchange rate floating or fixed? Why do you think they made that choice?

## Monday, November 21: 2008 Financial Crisis

### Assigned reading:

- Goldstein 151-168;
- NPR. "The Giant Pool of Money" <https://www.thisamericanlife.org/355/the-giant-pool-of-money>

### Non-Required Reading:

- Tooze Chapter 6

**Lecture:** This lecture looks at the origins of the 2008 Financial Crisis from multiple viewpoints: as the fault of monetary innovation (Goldstein's argument), as the fault of banks, as the fault of a government that was too wedded to Austrian ideas, as the fault of a government insufficiently committed to Austrian ideas, and as the result of a global macroeconomic imbalance. We will also explore the role of inflation fears that governed the response. This lecture sets up contemporary pessimism about the prevailing financial order.

**Monday Investment Project:** Meet in Groups/Departments, consider week-to-date price movements, and make the fourth investment decision.

## Wednesday, November 23: No Class

## Monday, November 28: Response to 2008 Financial Crisis

### Assigned reading:

- Tooze Chapter 7, 12

**Lecture:** This lecture looks at the government's response to the 2008 Financial Crisis, with a focus on debates about "good" stewardship of money. We will focus on objections to the fiscal response, a too-early tightening of monetary policy, and bank bailouts. We will also consider the rise of social movements linked to those objections.

**Monday Investment Project:** Currency News Review



## Wednesday, November 30: Cryptocurrency, Sanctions, Tech-Futurism and 2008

### Assigned reading:

- Goldstein 187-212
- Mike O’Sullivan “Does Low Trust In Politics Mean Bitcoin Will Thrive?”  
<https://www.forbes.com/sites/mikeosullivan/2021/06/11/does-low-trust-in-politics-mean-bitcoin-will-thrive/?sh=d6f39d874f93>

### Non-Required Reading:

- Cartoon Avatars. Ep 21. Aztec’s John Wu Joins Zach’s Crypto Debate  
<https://podcasts.apple.com/us/podcast/cartoon-avatars/id1606770839?i=1000566891420>;
- Council of Foreign Relations “The Dollar: The World’s Currency”  
<https://www.cfr.org/backgroundunder/dollar-worlds-currency>;

**Lecture:** This lecture introduces the concept and history of cryptocurrencies. We will also discuss how cryptocurrencies are used in practice. Of note, we will largely sidestep the blockchain technology that underlies them. Our interest is in the appeal of cryptocurrency as a social and political phenomenon, not the technical details of cryptocurrency *per se*.

**Wednesday Paper 8:** One of Bitcoin’s selling points is that it decouples money from political power. Does the experience of 2008 make you more or less likely to support decoupling political power from managing the currency?

## Monday, December 5: - How different is cryptocurrency? Thinking through the Crypto Crash of 2022

### Assigned reading:

- Eich, S. (2019). Old utopias, new tax havens: The politics of Bitcoin in historical perspective. *Regulating blockchain: Techno-social and legal challenges*.

## Wednesday, December 7: Should We Rethink Government and Money?

### Assigned reading:

- Goldstein 213-226;
- TBD

**Lecture:** This lecture will recap three arguments for rethinking prevailing relationships between government and money. This will be a short lecture; much of the class will be spent discussing our preferences on the matter.

**Wednesday Assignment:** None; Reveal the overall investment project winner; Peer review of draft final papers

**Final Exam: Monday, December 12: 3:00-5:00 PM Conrad Hall 102**

**Final Paper due to D2L: December 11, at midnight.**