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POS 473z Class No 9081. Economic Relations of the Global System
MWF 10:25-11:20 BB0217

Office hours Monday, Wednesday, Humanities B016 (Contact Office) 1:35-2:20
📖 Book orders have been placed exclusively at Mary Jane Books, Quail & Western
☞ Consult the Syllabus for Paper Due Dates ☞
Final Exam date: Thursday Dec. 17th 3:30pm

Course Books: Have been ordered exclusively at Mary Jane Books, at the corner of Quail and Western. Generally this will be your least expensive alternative. You may also order books via Internet, and prices vary considerably by vendor. Used books can be had at www.abebooks.com and other sources. Some packet materials will also be available there. A certain number of articles will be on the class web site and/or JSTOR.

BOOKS YOU CAN BUY

Hacker, Diana (1997). *A Writer's Reference*. 3rd ed. Boston: Bedford Books, isbn 0312172168 or MOST CURRENT EDITION.

Keynes, J.M. (1963;1936) *General Theory of Employment Interest and Money*. NY: Macmillan (on line full texts are available usually without page numbers)

List, Friedrich (1999;1840). *National System of Political Economy: The Theory*. (v. 2) San Francisco: Dry Bones Press. ISBN 188393852X. (also available on google books for free)

Smith, Adam (1777;1776) *An Inquiry into the Nature and Causes of the Wealth of Nations*. Cannan, ed. Chicago: University of Chicago Press, isbn 0-226-7634-9. (on line version is Seligman, see week-by-week syllabus for links)

Wall Street Journal: on line, \$15 for one semester, wsj.com

The academic objective of this course is to look at major themes in the development of the global economy, including: the origins of capitalism, the role of tariffs, the theory of free trade, economic crises, and other motifs. The guiding principle is the notion of *equilibrium* as it might be implied in different contexts. An economics background is not required, and there will be no complex equations or diagrams required of the student. We will cover a bit of that stuff but it is not expected in the course assignments. Because this year appears to be starting with a collapse of China's stock market, and because financial crises are a major focus of the

course, we will experiment with introducing current events into the curriculum. Doing so necessarily involves some flexibility on the weekly content. One day a week will cover topics in the Wall Street Journal.

Course grading. The course grade will be based on two papers, ideally 12-13 pages each, (nominally 30% of the grade each) and one final (nominally 40% of the grade plus adjustments due to attendance (see below) and subjective appreciation of such factors as class participation. The papers are due on the dates stated in the syllabus. You will receive comments and editing suggestions on your first draft, but no grade. Then you rewrite the paper. This almost always leads to a substantially improved paper and a better final. The rewritten paper must be turned in on the date indicated.

While I think it's a good idea, the idea of a first draft, receiving criticism, and then a chance to rewrite is a required element of university "Z" courses (in other words, not invented by your prof to make you unhappy). Your first draft papers must meet the bar of a credible effort to meet these requirements: your first draft is supposed to be as good as you can make it. For example, you can't turn in a three page paper with the idea that you'll "fix it" for the rewritten version because only the final grade will "count"—gamesmanship like that will result in a severe hit to your grade for the entire assignment. Your rewritten paper is due exactly one week after it is handed back.

Late paper policy. Making the cycle of draft-critique-rewrite work requires a high degree of coordination compared to non-Z courses. Papers are due on the day specified. A penalty of one half grade per paper per day will be imposed for late papers. That is, an A- will be reduced to a B+, a B+ to a B, and so on, down to zero credit. This penalty will run over weekends and holidays: If a paper is due on Friday and I don't get it till Monday, it will be docked for four days, or 2 full grades. Valid medical excuses for late papers are to be cleared through the Dean's office not through me.

Plagiarism. In cases of plagiarism, the offender will be strongly encouraged to leave the class. Referrals to academic affairs or to the dean's office are possible.

Week-by-week schedule

Week 1 – Wednesday 26 August, Friday 28 August.

Wed. Class Introduction and Organization.
Friday: Wall Street Journal.

Week 2
Monday August 30,
Wednesday September 2nd,
Friday September 4 (WSJ)

Smith edition v. 1 <https://archive.org/details/wealthofnations01smituoft>
I. "Of the Division of Labor," p. 4-11, II. Of the Principle which gives occasion to the Division of Labor," pp. 12-14. III. "That the Division of Labor is Limited by the Extent of the Market." PP. 15-18. IV. "Of the Origin and

Use of Money," pp. 19-25. V. "Of the Real and Nominal Price of Commodities, or their Price in Labor, and their Price in Money," pp. 26-40

Canaan edition: Smith – *Wealth of Nations* read v. 1, bk 1, pp. 1-33, v. 1, bks 3, 4 pp. 401-524, v. 2, bk 4, pp 159-181. Note that pagination for v. 2 starts over again from page one.

Canaan edition: Smith , v. 1, bks 3, 4 pp. 401-524,

Week 3 Monday September 7th, NO CLASSES
Wednesday September 9th,
Friday September 11th (WSJ)

Seligman edition v. 1 <https://archive.org/details/wealthofnations01smituoft>

Book III "Of the Different Progress of Opulence in Different Nations" which starts on p. 336 of vol. 1 of Seligman edition, and read pp. 336 through 374.

Then proceed to Book IV on p. 375, and read through to the end of "Of the Extraordinary Restraints Upon the Importation of Goods," which ends on p. 441.

Week 4 Monday 14 September NO CLASSES
Wednesday September 16th,
Friday September 18th (WSJ)

Seligman edition v. 2 <https://archive.org/details/thewealthofnatio00smituoft>
in v. 2, Chap VIII, pp. 137-155, pp. 137-155

Canaan edition: Smith bk 4, pp 159-181. Note that pagination for v. 2 starts over again from page one.

Nowell hands out paper topics on Monday

Week 5 Monday 21 September,
Wednesday September 23rd NO CLASSES
Friday September 25th WSJ

Adam Smith's credit crunch: Book II, Chapter 2, pp. 257-281

<https://archive.org/details/thewealthofnatio00smituoft>

1st paper draft due on Monday

Week 6 Monday 28 September, Wednesday 30 September, Friday 2 October (WSJ)

List 1st half (about pp. 97 to 165 archive.org edition; first half of printed "The Theory")

Archive.org edition (Lloyd translation, avoid earlier translation by Matile, pagination is wildly different)

<http://tinyurl.com/List-Lloyd-translation>

1st paper, 1st draft, returned with comments on Monday

Week 7 Monday 5 October, Wednesday 7 October, Friday 9 October (WSJ)

List 2nd half (through to p. 242 of archive.org's Lloyd translation, second half of printed "The Theory")

<http://tinyurl.com/List-Lloyd-translation>

Second draft of first paper due, on Monday

Week 8 Monday 12 October, Wednesday October 14th, Friday October 16th (WSJ)

Wirth, Max (1896). "German Banks of Issue," pp. 1-57, especially 1-12 on land banks in History of Banking, v. 4. <http://archive.org/stream/cu31924092584220#page/n13/mode/2up>

Bordo, Michael D., and Eugene N. White (1991). "A Tale of Two Currencies: British and French Finance During the Napoleonic Wars," The Journal of Economic History, Vol. 51, No. 2 (June), pp. 303-316 Stable URL: <http://www.jstor.org/stable/2122576>

Lester, Richard A. (1935). "Is Inflation Possible?" The North American Review, Vol. 239, No. 1 (Jan., 1935), pp. 14-18. Stable URL: <http://www.jstor.org/stable/25114560>

Return of graded first papers

Week 9 Monday 19 October, Wednesday October 21st, Friday October 23rd (WSJ)

Sprague, Crisis of 1873, pp. 1-107 <http://tinyurl.com/sprague-on-crises>

Week Monday 26 October, Wednesday October 28th, Friday October 30th (WSJ)

Read Sprague, pp. 218-316 (on crisis of 1907). Sprague <http://tinyurl.com/sprague-on-crises>

Week 11 Monday 2 November, Wednesday November 4th, Friday November 6th WSJ

Keynes chapter 22 of the General Theory

Nowell hands out paper topics - Monday

Week 12 Monday 9 November, Wednesday November 11th, Friday November 13th

Keynes chapter 22 of the General Theory

2nd papers due, 1st draft - Monday

Week 13 Monday 16 November, Wednesday November 18th, Friday November 20th

Read Bernanke paper http://www.princeton.edu/~pkrugman/bernanke_paralysis.pdf

2nd papers handed back – Monday

Week 14 Monday 23 November,
Wednesday November 25th, TURKEY
Friday November 27th TURKEY

Monday: Catch up day, review

Week 15 Monday 30 November, Wednesday December 2nd, Friday December 4th

Financial Crisis Inquiry Report: link <http://www.gpo.gov/fdsys/pkg/GPO-FCIC/pdf/GPO-FCIC.pdf> Chapters 6, 7, 8, 9, pp. 83-187

Monday: Second draft of second papers due

Week 16 Monday Dec 7th, Wednesday December 9th

LAST DAY OF CLASS

Review of final exam

Final exam: Thursday Dec. 17th 3:30pm

Books that have been used in various versions of this class

Hacker, Diana (1997). *A Writer's Reference*. 3rd ed. Boston: Bedford Books, isbn 0312172168 or MOST CURRENT EDITION.

Hobson, J.A. (1902;1965). *Imperialism: A Study*. Ann Arbor, MI: University of Michigan Press. Call no. JN 276 H 1965; Isbn [Hobson Imperialism](#)

Keynes, J.M. (1963;1936) *General Theory of Employment Interest and Money*. NY: Macmillan.

Hilferding, Rudolf (2006; 1910). *Finance Capital*. NY: Routledge. ISBN13: 978-0-415-43664-9

Kula, Witold (1976;1962) *Economic Theory of the Feudal System: Towards a Model of the Polish Economy*. NY: Verso Books, isbn 0860918513

List, Friedrich (1916; 1840). *National System of Political Economy*, trans. Sampson S. Lloyd, NY: Longmans, Green and Co., 1916.

List, Friedrich (1999;1840). *National System of Political Economy: The History*. (v. 1) San Francisco: Dry Bones Press. ISBN 1883938511. (in print)

List, Friedrich (1999;1840). *National System of Political Economy: The Theory*. (v. 2) San Francisco: Dry Bones Press. ISBN 188393852X. (Corresponds to pp. 97-242 of 1916 edition on archive.org. Chapter XXIII is especially important.) (in print)

List, Friedrich (1999;1840). *National System of Political Economy: The Systems, the Politics*. (v. 3) San Francisco: Dry Bones Press. ISBN 1883938538.

Marx, Karl (1967;1867). *Capital: A Critique of Political Economy*. 3 vols. N.Y.: International Publishers. ISBN 0717806219

McNally, David (1990) *Political Economy and the Rise of Capitalism: A Reinterpretation*. Berkeley, CA: University of California Press. ISBN 0520071921

Smith, Adam (1977;1776) *An Inquiry into the Nature and Causes of the Wealth of Nations*. Cannan, ed. Chicago: University of Chicago Press, isbn 0-226-7634-9.

USGPO (2011). *The Financial Crisis Inquiry Report: Final Report of the National Commission on the Causes of the Financial and Economic Crisis in the United States*.
<http://www.gpo.gov/fdsys/pkg/GPO-FCIC/pdf/GPO-FCIC.pdf>

Ventelou, Bruno (2005). *Millennial Keynes*, NY: M.E. Sharpe. ISBN 0765615169

Wallerstein, Immanuel (1980). *The Modern World System II: Mercantilism and the Consolidation of the European World-Economy, 1600-1750*. NY: Academic Press, isbn 0127859241.

Weber, Max (1998;1896). *Agrarian Sociology of Ancient Civilizations*. NY: Verso, isbn 1859842755

Wirth, Max (1896). German Banks of Issue pp. 1-57, especially 1-12 on land banks in *History of Banking*, v. 4. <http://archive.org/stream/cu31924092584220#page/n13/mode/2up>

Check Off List for Paper Requirements for All Courses for Prof. Nowell. Papers not adhering to these requirements are subject to grade penalties. Additional copies of this form may be printed from class web site.

1. This page stapled on cover of paper, and signed by you. Reason: Too many students ignore requirements otherwise. Check here _____
2. Title page, including your name, my name, my department, course number, date. Reasons: This information, often omitted, allows me to see what paper I'm grading for what course. If the paper is misplaced by you or me, it increases the chances that someone will return it to me or you. Check here _____
3. Title of paper. Titles, often omitted, are required. Check here _____
4. Text double-spaced. So I can make comments and notations between lines. Check _____.
5. Margins 1" on all sides. Use 11 or 12 point type. Standardizes assigned length, gives me room for comments. Check here _____
6. Every page has a page number. So they can be put back when out of sequence, so comments can be made referring to specific pages. _____
7. Every page has your last name on it. Allows scattered sheets to be reunited with the right paper. Check here _____
8. No binders or plastic covers for papers less than 30 pages. They're heavy, they fall apart, they tear other papers. Check here _____
9. No paper clips. They don't work in a large mass of similar papers. Check here _____
10. All papers STAPLED in upper left corner. It's cheap, it's easy, it's light weight, it works. Check here _____
11. No use of contractions. No "don't" "isn't" and similar forms. 1) They do not belong in formal presentations. 2) It eliminates, in theory, the possibility of confusing "it's" (=it is) and "its" (belonging to it). _____
12. Citations mandatory. Footnotes or endnotes. Hacker's Writer's Reference required. _____
13. Bibliography mandatory. Even if it contains only one book. _____
14. Proofread manuscript. For content, grammar, spelling. _____
15. Back-up copy mandatory. Electronic or hard copy. If for any reason papers in my possession are lost or stolen you must be able to produce another copy. _____

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