

KEYNESIANISM: PAST AND PRESENT

	THURSDAY	FRIDAY	SATURDAY
09:00		9:00-10:30	9:00-10:30
09:30		4. The Long Run	8. Introduction to Post-Keynesian Economics
10:00			
10:30		10:30-12:00	
11:00		5. A Road to Serfdom? Hayek's Critique of Keynes	10:30-12:00
11:30			9. Why Money matters –The concept of endogenous money
12:00		PAUSE (12:00-13:00)	
12:30			
13:00		13:00-14:30	PAUSE (13:00 – 14:30)
13:30		6. Michal Kalecki: A Pre-Keynesian proponent of Post-Keynesianism	
14:00	14:00-16:00		
14:30	1. Origins: From Cambridge to Versailles	PAUSE (14:30-15:00)	14:30-16:00
15:00	a) Burke and the Calculus of Probabilities	15:00-17:00	10. New Directions: Modern Monetary Theory
15:30	b) Versailles	7. From Bretton-Woods to the Euro: Exchange Rate Arrangements and Problems of international Trade	
16:00	16:00-18:00		
16:30	2. The gold standard		
17:00			
17:30		Florian Schui	
18:00	18:00-20:00	Michael Paetz	
18:30	3. The Great Depression		
19:00			
19:30			

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1. Origins: From Cambridge to Versailles

a) Burke and the Calculus of Probabilities

Required reading:

Chapters 1-6 'The philosopher', pp. 3-13 from 'Essential Keynes'.

Oral presentation 1a

Keynes life in its historical context. Discuss the period covered in pp. 3-174 of Robert Skidelsky, John Maynard Keynes (1883-1946): Economist, philosopher, statesman (London, 2003). Make sure to discuss the historical context (pre WWI) in detail and to use other sources for your presentation.

b) Versailles

Required reading from 'Essential Keynes':

Chapters 7, 15, 24, 39, 'The economic consequences of the peace' (1919), pp. 28-34, 99-101, 286, 461-477.

Oral presentation 1b

Keynes life in its historical context. Discuss the period covered in pp. 175-338 of Robert Skidelsky, John Maynard Keynes (1883-1946): Economist, philosopher, statesman (London, 2003). Make sure to discuss the historical context (WWI and peace negotiations) in detail and to use other sources for your presentation.

Additional material:

Documentary: Masters of money: John Maynard Keynes (BBC, 2015).

Closing paragraphs of 'Economic consequences of peace' with verses by Shelley.

2. The gold standard

Required reading:

From 'Essential Keynes'

Ch. 27 'The economic consequences of Mr Churchill' (1925), pp. 299-317

Ch. 29 'On the eve of gold suspension' (1931), pp. 349-352

Ch. 29 'The end of the gold standard' (1931), pp. 355-358

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Oral presentation

Keynes life in its historical context. Discuss the period covered in pp. 339-454 of Robert Skidelsky, John Maynard Keynes (1883-1946): Economist, philosopher, statesman (London, 2003). Make sure to discuss the historical context in detail and to use other sources for your presentation.

Additional material:

Graph GDP per capita in France/GB, 1913-38.

Video explainer Gold standard. ca 12 min.

3. The Great Depression

Required reading:

From 'Essential Keynes'

Ch. 28 'Can Lloyd George do it?', pp. 318-337

Ch. 20 'The General theory of employment, interest and money' (1936), pp. 176-261

Ch. 21 'The general theory of employment' (1937), pp. 262-273

Oral presentation

Keynes life in its historical context. Discuss the period covered in pp. 455-668 of Robert Skidelsky, John Maynard Keynes (1883-1946): Economist, philosopher, statesman (London, 2003). Make sure to discuss the historical context in detail and to use other sources for your presentation.

Additional material:

Keynes et al, Letter to the Times (17 Oct 1932).

4. The Long Run

Required reading:

Keynes, John Maynard, 'Economic possibilities for our grandchildren', in Donald Moggridge, ed., The Collected Writings of John Maynard Keynes, vol. 9: Essays in Persuasion (London, 1972), 321-34.

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No oral presentation

Films:

Ken Loach, The Spirit of 45 (2013).

Robert Kennedy, University of Kansas Address (1968).

5. A Road to Serfdom? Hayek's Critique of Keynes

Required reading:

Excerpts from Friedrich Hayek, The road to serfdom (orig. 1943).

Oral presentation:

Discuss the life of Hayek the historical context.

6. Michal Kalecki: A Pre-Keynesian proponent of Post-Keynesianism

a) Who's afraid of full employment? Kalecki's Warnings

Required reading:

Kalecki, Michal, 'Political aspects of full employment', Political Quarterly (1943).
(Based on a lecture given at the Marshall Society in Cambridge in 1942.)

Oral presentation:

Discuss the biography of Kalecki and the historical context.

b) Kaleckian Economics

Required reading:

Lavoie, Marc, 'Introduction to Post-Keynesian Economics' (2009), Chapter 4
(You do not need to understand every single equation, but the general framework.)

7. From Bretton Woods to the Euro: Exchange Rate Arrangements and Problems of international Trade

Required Readings:

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HÖPNER, M. (2018). "The German Undervaluation Regime under Bretton Woods, 1950-1973 – How Germany became the Nightmare of the World Economy," Tech. rep., Max-Planck-Institute for the Study of Societies, Cologne,.

Heiner Flassbeck, Costas Lapavistas, The systemic crisis of the euro – true causes and effective therapies, Rosa Luxemburg Stiftung:
https://www.rosalux.de/fileadmin/rls_uploads/pdfs/Studien/Studien_The_systemic_crisis_web.pdf

Oral Presentation:

Kicking Away the ladder – Discuss the History of Free Trade, based on the following papers:

CHANG, H.-J. (2003). "Kicking Away the Ladder - The „Real“ History of Free Trade," Special report, Foreign Policy in Focus:
http://www.personal.ceu.hu/corliss/CDST_Course_Site/Readings_old_2012_files/Hajoon%20Chang%20-%20Kicking%20Away%20the%20Ladder-The%20%E2%80%9CReal%E2%80%9D%20History%20of%20Free%20Trade.pdf

CHANG, H.-J. (2003). Under-explored Treasure Troves of Development Lessons – Lessons from the Histories of Small Rich European Countries (SRECs), in M. Kremer, P. van Lieshout & R. Went (eds.), Doing Good or Doing Better – Development Policies in a Globalising World, Amsterdam University Press, Amsterdam: <http://hajoonchang.net/wp-content/uploads/2012/01/SmallRichEuropeanCountries.pdf>

For the underlying Theory of Comparative Advantage, that is still the dominant theory in explaining, why free trade is always beneficial, please read:

<https://publishup.uni-potsdam.de/opus4-ubp/frontdoor/deliver/index/docId/6086/file/wtthesis16.pdf>

Additional Readings:

<https://www.ineteconomics.org/perspectives/blog/wage-moderation-and-productivity-in-europe>

<https://www.ineteconomics.org/perspectives/blog/confusion-is-no-response-to-economic-orthodoxy>

Godley, Wynne. "Maastricht and All That." London Review Of Books. 14.19 (1992):
<https://www.lrb.co.uk/v14/n19/wynne-godley/maastricht-and-all-that>

8. Introduction to Post-Keynesian Economics

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Required Reading:

Lavoie, Marc, 'Introduction to Post-Keynesian Economics' (2009), Chapter 1.

Oral Presentation:

Discuss the Basic Foundations of Post-Keynesian Economics, based on J.E. King: Advanced Introduction into Post-Keynesian Economics.

9. Why Money Matters: The endogeneity of Money

Required Readings:

Marc Lavoie (2016) Understanding the global financial crisis: contributions of post-Keynesian economics, Studies in Political Economy, 97:1, 58-75, DOI: 10.1080/07078552.2016.1174463

Oral Presentation:

Discuss, why money matters from a Post-Keynesian Perspective, by referring to

Lavoie, Marc, 'Introduction to Post-Keynesian Economics' (2009), Chapter 3.

Bezemer, D.J., (2009), No one saw this coming. Understanding financial crisis through accounting models, No 09002, Research Report, University of Groningen, Research Institute SOM (Systems, Organisations and Management).

Wray, R. (2013), Money, in "The Oxford Handbook of Post-Keynesian Economics, Volume 1: Theory and Origins", Edited by G. C. Harcourt and Peter Kriesler

Films:

Steve Keen's Lecture: <https://www.youtube.com/watch?v=auSh9f8krts>

10. New Directions: Modern Monetary Theory

Required Readings:

<https://modernmoneybasics.com/>

<http://moslereconomics.com/2011/08/04/mmt-history-and-overview/>

Oral Presentation:

Discuss the basic Foundations of MMT and the Job Guarantee, based on

Hail, Steven, Economics for sustainable prosperity, Binzagr Institute for Sustainable Prosperity, Palgrave MacMillan: Chapter 5, 7 and 8
(again: You do not need to understand every single equation used).

Additional Readings:

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<http://neweconomicperspectives.org/modern-monetary-theory-primer.html>