

Econ 706, Macroeconomic Theory 2—Fall 2021

Syllabus

T/Th, 10:00 AM - 11:15 am

Third Floor Conference Room (unless otherwise noted)

Gerald Epstein, gepstein@econs.umass.edu,

Office Hours: Tuesday, 2- 4 pm and by appointment.

Robert Pollin, pollin@econs.umass.edu, Office Hours: Thursday, 3 – 4:30 and by appointment

Requirements and Grading:

1. Take-home essay assignments. There will be five short take-home essays, spaced roughly every two weeks. We will discuss the exact procedures for these assignments when we give them out. Their main purpose will be to help you synthesize and consolidate what we are reading and discussing. They will each count for 10 percent of your total grade. In sum, they will therefore add up to 50 percent of your grade.

2. Term paper. This will be on one of the topics covered during the class. An outline and bibliography related to the paper will be due roughly around the mid-term date of the semester. We will want to start discussing ideas with you within a few weeks. The paper itself will be due shortly after classes are over. This will count for 40 percent of your grade. **This will be due the week of December 13th.**

3. Oral presentation of your term paper. All students will make 20-minute presentations of your final paper. We will schedule extra classes at the end of the semester, including possibly during exam week, for these presentations. This will count for 10 percent of your grade. **These will be scheduled the Week of December 13th.**

4. Class participation is extremely important. Students are expected to read the material prior to class and to come ready to discuss it. All students are expected to participate in class discussions.

Books:

The following books are required reading for the course: ()*

You can get the following books in class, Free of charge..

*James Crotty. 2017. *Capitalism, Macroeconomics and Reality*. Northampton, MA: E. Elgar Publishers.

*James Crotty. 2019. *Keynes Against Capitalism*. New York: Routledge. Available from Nicole Dunham free of charge

*Gerald Epstein. 2019. *What's Wrong with Modern Money Theory*. New York: Palgrave.

Gerald Epstein. 2019. *The Political Economy of Central Banking*. Northampton: Elgar.

The following books will need to be acquired by you:

*John Maynard Keynes. 1936., *The General Theory*, 1936. (E Book:
<https://ebookcentral.proquest.com/lib/uma/detail.action?docID=5471927>)

*Servaas Storm and C.W.M. Naastepad. 2012. *Macroeconomics Beyond the NAIRU*, Harvard University Press. (on e-reserves in the library: FC E-Resources / E-Book / HD5706 .S816 2012eb)

Stephen Marglin. 2021. *Raising Keynes*. Harvard University Press. (on Reserve)

Other Useful Books

Lance Taylor. *Maynard's Revenge*. Harvard University Press. (Ebook: [Maynard's Revenge](#))

Lance Taylor and Ozlem Omer, 2021. *Macroeconomic Inequality from Reagan To Trump; Market Power, Wage Repression, Asset Price Inflation and Industrial Decline*, Cambridge University Press. (Reserve)

Moodle:

Using the [Moodle site](#) is required for the course, as is using Zoom. Many of the key articles and unpublished papers, as well as some of the book readings, are on or accessible through the site. There will also be assignments and other important materials posted there as well.

1. Introduction to Course. September 2 (1 class)

2. Overview of Problems at Hand. September 9 & 14 (2 classes) (No Class Sept. 7).

*Lance Taylor, *Maynard's Revenge*, Ch. 1

*Gerald Epstein, A Review of "Maynard's Revenge," *Journal of Economic Literature* (JEL), June 2012, pp. 532 – 541. (moodle)

Stephen Marglin, *Raising Keynes*, Ch. 1

Storm/Naastepad, *Macroeconomics Beyond the NAIRU*, Chapter 1 (Also on e-reserves in the library: FC E-Resources / E-Book / HD5706 .S816 2012eb)

Robert Pollin and Gerald Epstein, "Neo-Liberalism's Bailout Problem," *Boston Review*, 6/24/21, <https://bostonreview.net/class-inequality/robert-pollin-gerald-epstein-neoliberalism%e2%80%99s-bailout-problem>

Robert Pollin, "The Deficit is Exploding: And That's a Good Thing," *The Nation*, 4/9/20, <https://www.thenation.com/article/economy/deficit-stimulus-fiscal-borrowing/>

International Monetary Fund, *World Economic Outlook July 2021*, <https://www.imf.org/en/Publications/WEO/Issues/2021/07/27/world-economic-outlook-update-july-2021>

-- including Gita Gopinath blog: <https://blogs.imf.org/2021/07/27/drawing-further-apart-widening-gaps-in-the-global-recovery/>

Federal Reserve Bank of St. Louis, "Inflation Expectations, the Phillips Curve, and the Fed's Dual Mandate," Summer 2021, <https://research.stlouisfed.org/publications/page1-econ/2021/07/15/inflation-expectations-the-phillips-curve-and-the-feds-dual-mandate>

Financial Times series: "Inflation: A New Era?" <https://www.ft.com/content/b6dfb1dc-eb86->

4bad-87b0-d800b79195d3

NY Times, “The White House Expects Inflation and Economic Growth will Rise This Year,”
<https://www.nytimes.com/2021/08/27/business/biden-economy-inflation.html>

Andreas Vinelli and Christian Weller, “Inflation and Making Ends Meet,” 8/3/21,
<https://www.americanprogress.org/issues/economy/news/2021/08/03/502081/inflation-making-ends-meet-increasing-real-household-incomes/>

Josh Bivens and Stuart Thompson, “179 Reasons You Probably Don’t Need to Panic about Inflation,” *NY Times*, 8/18/21, <https://www.nytimes.com/interactive/2021/08/18/opinion/inflation-economy-transitory.html>

Jayati Ghosh, “Apocalypse or Cooperation?” *Project Syndicate*, 8/12/21,
<https://peri.umass.edu/component/k2/item/1504-apocalypse-or-cooperation>

Jan Toporowski, *Theories of Financial Disturbance*, Chs. 1-2

Robert Pollin, *Back to Full Employment*

Jomo, Introduction to *Full and Decent Employment*

John Cassidy, *How Markets Fail*

3. From “Old” Classical Economics to Keynes. September 21, 23, 28, 30, October 5 (5 classes)
(No Class September 16)

*James Crotty, *Keynes Against Capitalism; His Economic Case for Liberal Socialism*, 2019.
(READ THE ENTIRE BOOK).

*J.M. Keynes, *The General Theory*, esp. Chs. 2, 11-15, 19, 22 and 24

*J.M. Keynes, “The General Theory of Employment,” *Quarterly Journal of Economics*, 41 (2),
February 1937, pp. 209-223.

*James Crotty, “The Centrality of Money, Credit and Financial Intermediation in Marx’s Crisis Theory: An Interpretation of Marx’s Methodology”, in Crotty, 2017, *Capitalism, Macroeconomics and Reality*, ch. 3.

*James Crotty, “Are Keynesian Uncertainty and Macro-theory Incompatible? Conventional Decision-Making, Institutional Structure and Conditional Stability in Keynesian Macromodels,”
(CROTTY, 2017, *Capitalism, Macroeconomics and Reality*, CH. 2)

*James Crotty, “The Realism of Assumptions Does Matter: Why Keynes-Minsky Theory Must Replace Efficient Market Theory as the Guide to Financial Regulation Policy”, (CROTTY, 2017, Ch. 1)

Marglin, *Raising Keynes*, *Preface*, Chs. 2 and 18.

4. Minsky and Post-Keynesian Economics (October 7, 12, 14, 19) (4 classes)

*H. Minsky, *Stabilizing an Unstable Economy*, Chs. 8-9.

*R. Pollin and G. Dymski, “Hyman Minsky as Hedgehog: The Power of the Wall Street Paradigm,”

in Fazzari and Papadimitriou eds. *Financial Conditions and Macroeconomic Performance*, pp. 27-62.

Jan Kregel, "Political Economy Approaches to Financial Crisis: Hyman Minsky's Financial Fragility Hypothesis," in Wolfson and Epstein, pp. 159-71.

Martin Wolfson, "An Institutional Theory of Financial Crises," in Wolfson and Epstein, 172-90.

J. Toporowski D. Tavasci, *Minsky, Crisis and Development*, passim.

Arie Arnon, "Marx, Minsky, and Monetary Economics," in Dymski and Pollin (eds.), *New Perspectives in Monetary Macroeconomics*, 353-68.

Jan Toporowski, *Theories of Financial Disturbance*, Part III.

Jim Crotty, "Owner-Manager Conflict and Financial Theories of Investment Instability: A Critical Assessment of Keynes, Tobin and Minsky", (CROTTY, Ch. 8).

Marglin, Chapter 7.

The Endogeneity of Money, Interest Rates and Finance

*H. Minsky, "Central Banking and Money Market Changes," in *Can "It" Happen Again? Essays on Finance and Instability*.

*R. Pollin, "Two Theories of Money Supply Endogeneity: Some Empirical Evidence," *Journal of Post Keynesian Economics*, Spring 1991, 366-396 [also responses of critics, pp. 397-413].

*R. Pollin, "Money Supply Endogeneity: What are the Questions and Why Do They Matter?", in Nell and Deleplace (eds), *Money in Motion*.

*R. Pollin, "Interest Rate Exogeneity: Theory, Evidence, and Policy Issues for the U.S. Economy," *Economiaz*, vol 72, no. 3, 2009, pp. 244-68.

Marglin Chs. 11 – 13, especially empirical appendix to Ch. 12.

Josh Mason and Arjun Jayadev, "Loose Money, High Rates: Interest Rate Spreads in Historical Perspective," *Cambridge Journal of Economics*, 2015.

Giuseppe Fontana, "Rethinking Endogenous Money: A Constructive Interpretation of the Debate between Horizontalists and Structuralists," *Metroeconomica*, 2004, pp. 367-85.

Giuseppe Fontana, "Bringing Together the Horizontalist and Structuralist Analyses of Endogenous Money." In: P. Arestis ed. *Microeconomics, Macroeconomics and Economic Policy: Essays in Honor of Malcolm Sawyer*. New York: Palgrave Macmillan, 2011, 116-133.

Charles Goodhart, "The Endogeneity of Money," in Philip Arestis, Meghnad Desai, and Sheila Dow eds, *Money, Macroeconomics, and Keynes*, 2001, pp. 14-24.

Malcolm Sawyer, "Economic Policy with Endogenous Money," in Philip Arestis, Meghnad Desai, and Sheila Dow eds., *Money, Macroeconomics, and Keynes*, 2001, 35-44.

Basil Moore, *Horizontalists and Verticalists*

Stephen Rousseas, "Financial Innovation and Control of the Money Supply: The Radcliffe Report Revisited," in M. Jarsulic (ed) *Money and Macro Policy*.

Robert Pollin and Marc Schaberg, "Asset Exchanges, Financial Market Trading and the M1 Income Velocity Puzzle," *Journal of Post Keynesian Economics*, Fall 1998, 135-62.

*Robert Pollin, "Financial Intermediation and the Variability of the Saving Constraint," in Pollin ed. *The Macroeconomics of Saving, Finance and Investment*, 1996, pp. 309 – 367.

*Robert Pollin and James Heintz, *Study of U.S. Financial System*, FESSUD Studies in Financial Systems #10, <http://fessud.eu/wp-content/uploads/2012/08/USA-Financial-Systems-Studies10.pdf>, Chs. 9 and 10.

T. Adrian and H.S, Shin, 2010. "The Changing Nature of Financial Intermediation and the Financial Crisis of 2007-09," Federal Reserve Bank of New York, Staff Report 439. New York, NY.

5. Mass Unemployment, Natural Rate of Unemployment, Inflation, NAIRU, October 21, 26, 28 (3 classes)

Overviews

Kalecki, Michał (1943), "Political aspects of full employment", *Political Quarterly*. Reprinted in *Selected Essays on the Dynamics of the Capitalist Economy, 1933–1970*, Cambridge: Cambridge University Press, 1971.

Milton Friedman, "The Role of Monetary Policy," *American Economic Review*, April 1968.

Robert Pollin, "The 'Reserve Army of Unemployed' and the 'Natural Rate of Unemployment': Can Marx, Kalecki, Friedman and Wall Street All Be Wrong?" *Review of Radical Political Economics*, Summer 1998, 1-13.

Lance Taylor and Ozlem Omer, 2021. *Macroeconomic Inequality from Reagan To Trump; Market Power, Wage Repression, Asset Price Inflation and Industrial Decline*, Cambridge University Press. (Reserve)

Labor Markets and NAIRU

Storm/Naastepad, Chs. 2, 4-6

David Howell et al, "Are Protective Labor Market Institutions at the Root of Unemployment? A Critical Review of the Evidence, *Capitalism and Society*, 2007. With response by James Heckman.

David Howell ed., *Fighting Unemployment*, Chs. 2, 3, 10 and passim.

David Howell, "Institutions, Aggregate Demand, and Cross-Country Employment Performance: Alternative Theoretical Perspectives and the Evidence," in Hein and Stockhammer, eds., *A Modern Guide to Keynesian Macroeconomics and Policies*.

Lawrence Mishel and Josh Bivens, "Identifying the Policy Levers Generating Wage Suppression and Wage Inequality," Economic Policy Institute, 5/13/21, <https://www.epi.org/unequalpower/publications/wage-suppression-inequality/>

Anwar Shaikh, *Capitalism*, Ch. 14, "The Theory of Wages and Unemployment,"

Michele Belot and Jan C. van Ours, “Does the Recent Success of Some OECD Countries in Lowering their Unemployment Rate Lie in the Clever Design of their Labor Market Reforms?” *Oxford Economic Papers*, 56, 2004, pp. 621-42.

Engelbert Stockhammer and Erik Kiar, “Capital Accumulation, Labour Market Institutions, and Unemployment in the Medium Run,” *Cambridge Journal of Economics*, 2010.

Klaus Armingeon and Lucio Baccaro, “Do Labor Market Liberalization Reforms Pay Off?” manuscript, University of Bern, June 2012.

Giuseppe Bertola, “What is Natural About Unemployment? Policy Sources and Implications of Labor Market Rigidities,” conference paper, Federal Reserve Bank of Kansas City Jackson Hole Conference, August 2014.

NAIRU, Inflation and Economic Growth

Robert J. Gordon, “The Time-Varying NAIRU and its Implications for Economic Policy,” *J. of Economic Perspectives*, Winter 1997, 11-32, <http://www.jstor.org/pss/2138249>.

Robert Pollin, “Wage Bargaining and the U.S. Phillips Curve: Was Greenspan Right about ‘Traumatized Workers’ in the 1990s?” unpublished manuscript.

Marglin, Ch. 19

Michael Bruno “Does Inflation Really Lower Growth?” *Finance and Development*, September 1995, pp. 35–38.

Michael Bruno and William Easterly, “Inflation Crises and Long-Run Growth,” *Journal of Monetary Economics*, 1998, 41, pp. 3 – 26,
<http://www.sciencedirect.com/science/article/pii/S0304393297000639>.

Robert Pollin and Andong Zhu, “Inflation and Economic Growth: A Cross-Country Non-Linear Analysis,” *Journal of Post Keynesian Economics*, Summer 2006, pp. 593-614. Also at:
http://www.peri.umass.edu/fileadmin/pdf/working_papers/working_papers_101-150/WP109.pdf

Robert J. Gordon, “The Phillips Curve and Alive and Well: Inflation and the NAIRU During the Slow Recovery,” NBER Working Paper No. 19390, August 2013,
<http://www.nber.org/papers/w19390>

Olivier Blanchard, “Should We Reject the Natural Rate Hypothesis?” *Journal of Economic Perspectives*, 2018, <https://pubs.aeaweb.org/doi/pdfplus/10.1257/jep.32.1.97>

Paul Krugman, “Unnatural Economics,” blog, May, 2018,
<https://www.nytimes.com/2018/05/06/opinion/unnatural-economics-wonkish.html>

Informal Labor Markets and Gender-based Factors

James Heintz, “Informality, Inclusiveness, and Economic Growth: An Overview of Key Issues,” SIG Working Paper 2012/2, July.

James Heintz, “Employment, poverty, and inclusive development in Africa: policy choices in the context of wide-spread informality,” in V. Padayachee, ed. *The Political Economy of Africa*, London: Routledge, 2010, pp. 199-213.

Jayati Ghosh, ed., *Informal Women Workers in the Global South: Policies and Practices for the Formalization of Women's Employment in Developing Economies* Routhledge, 2021.

David Kucera and Leanne Roncolato, "Informal Employment: Two Contested Policy Issues," *International Labor Review*, 2008, pp. 321-48.

Heintz, James and Pollin, Robert. 2005. "Informalization, economic growth, and the challenge of creating viable labour standards in developing countries," In N. Kudva and L. Benería, eds., *Rethinking Informalization: Poverty, Precarious Jobs, and Social Protection*, Ithaca, NY: Cornell University Open Access Repository, 2006, pp. 44-66.

Guillermo Perry et al., *Informality: Exit and Exclusion*, Chapter 4, "The Informal Labor Market in Motion: Dynamics, Cycles and Trends."

Nalia Kabeer and Luisa Natali, "Gender Equality and Economic Growth: Is There a Win-Win?" IDS Working Paper #417, 2013.

6. Neoliberalism, Financialization, Financial Crisis and Covid 19 November 2, 4, 9 (3 classes)

November 2, Neo-Liberalism (skim these; read for interest)

Andrew Glyn, *Capitalism Unleashed*, Chs. 1-2.

David Harvey, *A Brief History of Neo-Liberalism*

Mark Blyth, *Austerity: The History of a Dangerous Idea*, Oxford, 2013

David Kotz, *The Rise and Fall of Neo-Liberal Capitalism*. Cambridge, MA: Harvard University Press, 2015.

G. Dumenil and D. Levy, *The Crisis of Neo-liberalism* Cambridge, MA: Harvard University Press, 2010.

November 4, Financialization

****Philip Mader, Daniel Mertens, Natascha van der Zwan, eds., 2020. *The Routledge International Handbook of Financialization*, Routledge. Chs. 1, 2, 5, 10, 13, 14, 15, 19, 23, 27, 34, *passim*. (moodle)**

***James Crotty, "The Neoliberal Paradox: The Impact of Destructive Product Market Competition and 'Modern' Financial Markets on Nonfinancial Corporation Performance in the Neoliberal Era." In Gerald Epstein, ed., *Financialization and the World Economy*. Northampton Massachusetts: Edward Elgar, 2005, pp. 77-110. (CROTTY, Ch. 11)**

***William Lazonick, "Innovative Business Models and Varieties of Capitalism: Financialization of the U.S. Corporation," *Business History Review* 84 (Winter 2010): 675–702. (moodle)**

Lenore Paladino, 2019. *Congressional Testimony on Stock Buybacks*. [PERI](#)

"From Innovation to Financialization: How Shareholder Value Ideology is Destroying The U.S. Economy," in *Handbook of The Political Economy of Financial Crises* Eds. Martin H. Wolfson and Gerald Epstein. Oxford: Oxford University Press, 2013, pp. 491 – 511.

*Arcand, Berkman, Panizza, "Too Much Finance", IMF Working Paper, June 2012.

* Thomas Philippon and Ariel Reshef, *Wages and Human Capital in the US Finance Industry: 1909-2006*. *QJE*, November 2012, Issue 4.

*Gerald Epstein and Juan Montecino, 2016. "Overcharged: The High Cost of High Finance", [Roosevelt Institute](#).

*Lenore Palladino, Interview on Shareholder Value
<https://www.peri.umass.edu/publication/item/1351-ending-shareholder-primacy-an-interview-with-lenore-palladino>

Leila Davis, "Financialization and Investment: A Survey of the Empirical Literature", *Journal of Economic Surveys*, 2017.

Baker, Epstein, Montecino, "UK Finance Curse" SPERI Working Paper
<https://www.peri.umass.edu/publication/item/1113-the-uk-s-finance-curse-costs-and-processes>

Andrew Haldane: various pieces: "Banking on the State", "Miracle or Mirage"

Costas Lapavistas, *Profits Without Production: How Finance Exploits Us All*. London: Verso, 2013

Gerald Epstein, "Financialization: There's Something Happening Here", PERI Working Paper, August 27, 2015.

Natascha van der Zwan, "Making Sense of Financialization", *Socio-Economic Review*, 2014. pp. 99-129.

Sawyer, Malcolm. 2013. "What is Financialization?". *International Journal of Political Economy*. Vol. 42, No. 4, Winter, pp. 5-18.

Greta R. Krippner, "The Financialization of the American Economy," *Socioeconomic Review* May 2005, pp. 173- 208.

Ben Fine, Financialization from A Marxist Perspective, *International Journal from a Political Economy* 42(4) 47-66.

Ozgur Orhangazi, *Financialization and The U.S. Economy*, Northampton: E. Elgar, passim.

Gerald Epstein, "Introduction," *Financialization and the World Economy*, Northampton: E. Elgar, 2005, pp. 3 – 16.

Engelbert Stockhammer, "Financialization and the Slowdown of Accumulation," *Cambridge Journal of Economics*, 2004, 28, pp. 719–741.

Thomas Philippon, "Has the U.S. Finance Industry Become Less Efficient? On the Theory and Measurement of Financial "Intermediation," December, 2013.
http://pages.stern.nyu.edu/~tphilipp/papers/Finance_Efficiency.pdf

Thomas Palley, *Financialization: Finance Capital Domination*, New York: Palgrave, Macmillan, 2013, chs. 1 and 2.

Robert Pollin and James Heintz, Study of U.S. Financial System, FESSUD Studies in Financial Systems #10, <http://fessud.eu/wp-content/uploads/2012/08/USA-Financial-Systems->

[Studies10.pdf](#), Ch. 14

November 9, **Financial Crisis and Great Recession, Inequality and Macro Instability**

*James Crotty, "Structural Causes of the Global Financial Crisis: A Critical Assessment of the 'New Financial Architecture'," *Cambridge Journal of Economics*, Vol. 33, No. 4, July 2009, pp. 563-580. (CROTTY, 2017 Ch. 5)

*James Crotty, "How Bonus-Driven 'Rainmaker' Financial Firms Enrich Top Employees, Destroy Shareholder Value and Create Systemic Financial Instability," In *After the Great Recession: Keynesian Perspectives on Prospects for Recovery and Growth*, Barry Z. Cynamon, Steven M. Fazzari, and Mark Setterfield, eds. New York: Cambridge University Press, 2013, pp. 133-158. (CROTTY, 2017, Ch. 6).

Tom Palley, "Minsky and the Great Financial Crisis..."

Marc Jarsulic, "The Origins of the US Financial Crisis of 2007; How a House-Price Bubble, A Credit Bubble, and Regulatory Failure Caused the Greatest Economic Disaster Since the Great Depression", in Wolfson and Epstein

*Michael Greenberger, "Derivatives in the Crisis and Financial Reform," in Wolfson and Epstein.

*Jose Gabriel Palma, "How the Full Opening of the Capital Account to Highly Liquid and Unstable Financial Markets Led Latin America to Two and a Half Cycles of 'Mania, Panic and Crash,'" in Wolfson and Epstein.

*L. Randall Wray, "Financial Markets Meltdown: What Can We Learn From Minsky?" Policy Brief, No. 94. Levy Institute of Bard College.

Sakiko Fukuda-Parr, James Heintz, and Stephanie Seguino, "Critical Perspectives on Financial and Economic Crises: Heterodox Macroeconomics Meets Feminist Economics," *Feminist Economics*, 2013, pp. 4 – 31.

Jan Kregel, "Political Economy Approaches to Financial Crisis: Hyman Minsky's Financial Fragility Hypothesis," in Wolfson and Epstein.

Duncan Lindo, "Why derivatives need models: the political economy of derivative valuation models", *Cambridge Journal of Economics* 2018, 42, 987–1007

Josh Mason and Arjun Jayadev, "Fisher Dynamics in Household Debt: The Case of the United States, 1929-2011," *American Economic Journal: Macroeconomics*.

David Howell, "The Great Laissez-Faire Experiment: American Inequality and Growth from an International Perspective," Center for American Progress 2013, <http://cdn.americanprogress.org/wp-content/uploads/2013/12/Howell-Inequality-report.pdf>

Atif Mian and Amir Sufi, *House of Debt*, University of Chicago Press, 2014.

Dean Baker, *False Profits: Recovering From the Bubble Economy*, 2010, Polipoint Press, 2010.

Covid Crisis

Adam Tooze, 2021. *Shutdown: How Covid Shook the World Economy*. (R)

Vikas Rawal, Jayati Ghosh, and C.P. Chandrasekhar eds, *When Governments Fail: A Pandemic and its Aftermath*.

7. Ecological Macroeconomics and Climate Change *November 16, 18, 23 (3 classes)*

Robert Pollin, “An Industrial Policy Framework to Advance a Global Green New Deal,” in Oqubay et al, *The Oxford Handbook of Industrial Policy*, pp. 394 – 429.

Robert Pollin, “Defending the Global Commons through a Global Green New Deal,” *Social Research*, 2021, <https://muse.jhu.edu/article/796818>

Noam Chomsky and Robert Pollin, *Climate Crisis and the Global Green New Deal: The Political Economy of Saving the Planet*, Verso, 2020.

International Energy Agency, *Net Zero by 2050*, <https://www.iea.org/reports/net-zero-by-2050>

Tim Jackson, *Prosperity without Growth*, 2nd edition

Peter Victor, *Managing without Growth*, 2nd edition.

Peter Victor, “Growth, Degrowth and Climate Change: A Scenario Analysis,” *Ecological Economics*, 2011, <https://www.sciencedirect.com/science/article/pii/S0921800911001662A>

William Nordhaus, “Climate Change: The Ultimate Challenge for Economics, Nobel Prize lecture, 2018: <https://www.nobelprize.org/prizes/economic-sciences/2018/nordhaus/lecture/>

William Nordhaus, *The Spirit of Green*, Princeton U. Press, 2021.

Tyler Hansen, *Three Essays on the Political Economy of Inaction on Climate Change*, Ph.D. dissertation, UMass, 2021, Chapter 2.

Robert Pollin, *Greening the Global Economy*

Robert Pollin, “Degrowth vs. the Green New Deal,” *New Left Review*, July-August 2018, <https://newleftreview.org/II/112/robert-pollin-de-growth-vs-a-green-new-deal>

Robert Pollin and Shouvik Chakraborty, “An Egalitarian Green Growth Programme for India,” *Economic and Political Weekly*, October 2017 2015,

Amanda Page, Shouvik Chakraborty, and Robert Pollin, “Austerity vs. Green Growth for Puerto Rico,” *Challenge*, November/December 2017.

8. Monetary Policy and Central Banking *(2 Classes), (November 30 AND a make-up class, to be scheduled)*

November 30 Political Economy of Central Banking and Neo-Liberal Central Banking: Inflation Targeting

Boddy, Raford and James Crotty (1975), “Class conflict and macro policy: the political business cycle”, *Review of Radical Political Economics*, 7 (1), pp. 1–19.

*Epstein, Gerald. *Contested Terrain*, Epstein, *Contested Control*, (CC) Ch. 8.

*Epstein, Gerald (1994), "A political economy model of comparative central banking," Epstein, 2019, Ch. 11.

*Epstein, Gerald (2002), "Financialization, rentier interests, and central bank policy," Political Economy Research Institute, Epstein, 2019, (CC) ch. 14.

*Christine Desan, "How To Spend a Trillion Dollars: Our Monetary Hardwiring, Why It Matters, and What We Should Do About It", 9/1/21

Epstein, Gerald and Juliet Schor (1995), "The Federal Reserve–Treasury accord and the construction of the postwar monetary regime," *Social Concept*, 7 (1), pp. 7–48.

http://www.peri.umass.edu/fileadmin/pdf/working_papers/working_papers_251-300/WP273.pdf
Epstein, Ch. 5.

Inflation Targeting

Gerald Epstein and Erinc Yeldan, eds. *Beyond Inflation Targeting: Assessing the Impact and Policy Alternatives*, Northampton: Elgar Publishers, Chs. 1, 2, 3, 4, 5, 6, and Passim: Part III.

*Sarah Anwar and Iyanatul Islam "Should Developing Countries Target Low, Single Digit Inflation to Promote Growth and Employment?" Employment Sector Employment Working Paper No.87 2011

Extra (DOUBLE) Class *Monetary Policy and Income Distribution, Monetary Policy at the Zero Bound/Quantitative Easing and Developmental Central Banking*

Quantitative Easing and Zero Bound Monetary Policy

*Juan Montecino and Gerald Epstein, "Did Quantitative Easing increase income Inequality"
<https://www.ineteconomics.org/research/research-papers/did-quantitative-easing-increase-income-inequality>

*Kim, Kyungmin, Thomas Laubach, and Min Wei (2020). Macroeconomic Effects of Large-Scale Asset Purchases: New Evidence," Finance and Economics Discussion Series 2020-047. Washington: Board of Governors of the Federal Reserve System,
<https://doi.org/10.17016/FEDS.2020.047>. (Attached here)

"An Event Study of Covid-19 Central Bank Quantitative Easing In Advanced And Emerging Economies" Alessandro Rebucci, Jonathan S. Hartley, Daniel Jiménez
<http://www.nber.org/papers/w27339>

Shultz, Stijn Van Nieuwerburgh, "Can Monetary Policy Create Fiscal Capacity?," 2021.
<http://www.nber.org/papers/w29129>

Juan Antonio Montecino and Gerald Epstein, "Did Quantitative Easing Increase Income Inequality?", PERI Working Paper, #407, 2015., Epstein ch. 20.

*Olivier Coibion, Yuriy Gorodnichenko, Lorenz Kueng, and John Silvia. *Innocent bystanders? Monetary policy and inequality in the US*. Technical report, National Bureau of Economic Research, 2012. URL <http://www.nber.org/papers/w18170>.

Matthias Doepke, Martin Schneider, and Veronika Selezneva. "Distributional effects of monetary policy," Technical report, Hutchins Center Working Paper, 2015.

Central Banks as Agents of Development

*Gerald Epstein, "Central Banks as Agents of Economic Development", in Ha-Joon Chang, ed. *Institutional Change and Economic Development*, 2007, United Nations University and Anthem Press. Epstein, Ch. 15.

*Gerald Epstein, "Developmental central banking: winning the future by updating a page from the past", *Review of Keynesian Economics*, Vol. 1 No. 3, Autumn 2013, pp. 273–287 Epstein, Ch. 16.

*Gerald Epstein, "Achieving Coherence Between Macroeconomic and Development Objectives", in *Current Issues in Macroeconomics*, International Economics Association, 2015. Epstein, ch. 17.

Gerald Epstein [Central Bank Independence vs. Democratic Central Banking](#)

The Liquidity Trap

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