

The Politics of American Capitalism
POSC 112/POSC 896
M, W 2:25-3:40, Physics 138
Dr. McGee Young
Marquette University
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Office Hours: M 12:30-2:15; Tu 8-12; W 12:30-2:15
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Course Overview

“The American capitalist system stands as the most dynamic in world history; it also stands on the brink of collapse.” This timeless statement could describe any of a number of periods of American history. While the 20th century was, on the whole, more stable than the 19th, the American political economy is littered with debris from various panics, recessions/depressions, and speculative bubbles. This enduring pattern of speculation and crash has played an important role in fashioning the role of government in our lives. Most of the growth of the American “state” has occurred in the wake of some sort of shock. Naturally, economic regulation has followed economic collapse. Frequently, forms of economic control are fashioned during these most intense times of panic, leading to policies that overreach or are otherwise inefficient.

Understanding American capitalism, and the limitations imposed on it by the government, requires an appreciation for the boom and bust cycles that have provided its most enduring characteristics. This course will cover many of the major episodes of economic crisis in American history, exploring their causes as well as their consequences. We will be particularly interested in the patterns that repeat (e.g., real estate speculation) as well as historical changes that change the way these crises unfold (e.g., globalization). All of this should help us gain a clearer perspective on the current economic crisis that is unfolding around us. How we respond may shape the next several generations.

Because this is a senior experience course, the following course outcomes will be achieved:

Students will:

1. Integrate the methods, perspectives, and concepts used in their major disciplines.
2. Acknowledge the existence of connections between their major disciplines and others.
3. Reflect upon, in the context of their specific studies, the impact of their college education on their development as a whole person.

Course Requirements

This is a senior experience course and will be run as a seminar. I expect every student to complete the reading on the day it is assigned and to elevate the intellectual tenor of class discussions in their participation. I expect connections to be made and insights to be drawn independently of what I contribute to the class. Your participation grade will be based on the extent that you go above and beyond the minimal expectations of the class. There is literally room here for an A for effort.

I will assign two exams, a midterm and a final. These will be essay exams that will require extensive familiarity with the course readings.

There will be assignments that you will submit to D2L that build off of course readings.

Finally, there will be a research paper due at the end of the semester that will examine the current economic crisis in light of past economic crises.

Grade Breakdown:

Participation/Attendance: 25%

Seminar Paper: 25%

Midterm Exam: 20%

Final Exam: 20%

D2L Assignments: 10%

Books (all available at Bookmarq and Sweeneys)

Edward Chancellor, Devil Take the Hindmost: A History of Financial Speculation (New York: Farrar, 1999)

Robert E. Wright and David J. Cowen, Financial Founding Fathers: The Men Who Made America Rich (Chicago 2006).

Robert F. Bruner and Sean Carr, The Panic of 1907: Lessons Learned from the Market's Perfect Storm (Hoboken: Wiley, 2007).

John Kenneth Galbraith, The Great Crash of 1929 (Boston: Houghton Mifflin, 1988).

Richard Bookstaber, A Demon of our own Design: Markets, Hedge Funds, and the Perils of Financial Innovation, (Wiley, 2007).

1/12 - Introductions

1/14 – Devil, Chs 1-2

1/19 – Devil, Chs 3-4 [Brief summary current crisis]

1/21 – FFF, Chs 1-3

1/26 – FFF, Chs 4-5

1/28 – FFF, Chs 6-7

2/2 – FFF, Ch 8 [Profile of key Obama economic team member]

2/4 – Devil, Chs 5-6

2/9 – Panic, Chs Int-5

2/11 – Panic, Chs 6-12

2/16 – Panic, Chs 13-17

2/18 – Panic, Chs 18-21 [What did the financial bailout do?]

2/23 – Midterm Exam

2/25 – Devil, Ch 7

3/2 – Crash, Ch 1-3

3/4 – Crash, Ch 4-5

SPRING BREAK

3/16 – Crash, Ch 6-7

3/18 – Crash, Ch 8-9 [what caused current crash?]

3/23 – Devil, Ch 8

3/25 – Demon, Chs 1-2

3/30 – Demon, Chs 3,4

4/1 – Demon, Chs 5,6

4/6 – Demon, Chs 7,8

4/8 – Demon, Chs 9,10

4/15 – Demon, Chs 11, 12 [what happened to our regulations?]

4/20 – Devil, Chs 9, Epilogue

4/22 – Assessing Contemporary History I

4/27 – Assessing Contemporary History II

4/29 – Assessing Contemporary History III

Final Exam