

## The Global Political Economy in Crisis

### POLS 5140-01

Wednesday 17:00-19:40

Professor: Sean McMahon, Ph.D.

Sept.-Dec. 2017

Office: 2017 HUSS

Office Hours: U 10:00-11:30 and W 10:00-11:30, or by appointment

#### Course Description and Objective

POLS 5140 conceptualizes and studies the ongoing crisis of the global political economy.

POLS 5140 familiarizes students with the dialectics—the inner relations and mutually dependent and contradictory processes—(re)producing and circulating crisis in and through the totality of the global political economy and particular bodies politic. More specifically, the course, *inter alia*, reviews economic considerations of the crisis such as secular stagnation and the global savings glut; historicizes our contemporary (neoliberal) moment in social terms; analyzes the politics (and necessity) of processes such as financialization, privatization, monetization, and social reproduction and destruction; examines expressions of crisis such as democratic delegitimation, competitive currency deflation and the rise of the far right; problematizes the power function of hegemonic ideals such as peace, freedom, reform and market utopianism; reflects on contradictions such as capital's necessity of infinite growth against the finite capacities of societies and the planet; and formulates plans for seizing the opportunity contained within the ongoing crisis. Students will make sense of ideals that power intentionally obfuscates, including zero percent interest rate policy (ZIRP), quantitative easing, derivatives, credit default swaps and—the ultimate fetishism—“too big to fail.” Special attention is paid to the particular modes of appearance of crisis in the Middle East (i.e. imperialization, war, commodity price inflation).

Through POLS 5140 students develop a realistic understanding of the world historic moment they are living.

#### Course Expectations and Assignments

The course work for POLS 5140 consists of five elements: 1) attendance/participation in class discussions, 2) in-class presentations, 3) reading reviews, 4) an annotated bibliography of cultural expressions of crisis, and 5) essays.

First, POLS 5140 is a senior-level seminar course. As such, a premium is placed on student attendance and a high level of participation in class discussions. All students will read thoughtfully and thoroughly the assigned readings and come to class prepared to discuss the readings. Moreover, they will also critically and constructively

engage the works of their peers. Attending class, without participating or engaging peers, is not sufficient and will produce an extremely poor grade.

University policy stipulates that a student who misses more than the equivalent of three weeks of class meetings during a semester for any reason may be assigned a reduced grade for the course — including the grade of “F” — solely on the basis of inadequate attendance, regardless of excuse. Students who miss fewer than three weeks of class sessions may not be penalized on the grounds of attendance alone. This being said, a student who does not attend class obviously cannot participate. Students are personally responsible for making up any academic tasks and assignments missed due to their absence.

*This seminar is rooted in constructivist learning. Students will be the meaning makers and constructors of knowledge in this environment. They will make meaning and construct knowledge through extensive collaboration and peer-teaching and -learning.*

Second, in addition to regular class participation, students will make two presentations on *all* of the day’s assigned readings over the course of the term. These presentations are to be of a critical nature. Do not write descriptive summaries – you can assume the professor and other students have read the material and do not require a synopsis. The presentations are critical commentaries designed to 1) highlight salient aspects of the readings, 2) make inter-textual connections between the day’s texts as well as with other material encountered in the course, 3) reference and/or illuminate recent events, and 4) raise provocative questions for class discussion. Special attention should be paid to how the assigned material speaks to contemporary modes of appearance of crisis. The presentations should be approximately 10-15 minutes in length and the questions will serve to guide the day’s engagement with the readings. Students must submit a written copy, typed and properly formatted, of their presentation to the professor on the day of presentation.

Third, students will submit five reading reviews over the course of the semester. Each review will identify the author and title of the week’s reading as well as outline the theses, argumentation, analyses and/or conclusions of the texts. Ideally, students will relate the texts to other readings encountered throughout the course and/or in the larger discourse of global political economy. Each review is not to exceed two pages in length and is due *before* the start of the class when the selected readings are discussed. Students cannot submit reviews of readings on which they make presentations; presenting on a set of readings precludes a student from submitting a review of those same readings.

Fourth, students will author an annotated bibliography of 10 cultural expressions of capital in crisis. The forms of expression documented in the bibliography are at the discretion of the student, and can include, but are not limited to, movies such as *The Big Short*, songs such as Springsteen’s “Death to My Hometown,” and street art in spaces such as Athens and Madrid. For each entry, students will identify and briefly explain the expression and relate it to the ongoing crisis of capital. The annotated bibliography is due **11 October 2017**.

Fifth, students will write two essays for POLS 5140. Each essay will apply the conceptual tools and/or analyses encountered in different phases of the course, say for example the liberal mental conception of the self-regulating market or that neoliberalism is capital's counter-attack on the working class, to analyse an aspect of our contemporary historical moment. The essays are opportunities for students to think critically and more deeply about contemporary issues of interest and import to them. Students are encouraged to discuss their topics with the professor prior to writing and submitting the essays. Each essay, worth 15 per cent of the final grade, is to be 8-10 pages in length (double-spaced with proper 12 point font and margins). The first essay, using concepts and/or analyses explored between 6 September and 25 October, is due **25 October 2017**. The second essay, using concepts and/or analyses explored between 1 November and 6 December, is due **29 November 2017**.

In all of the written work for this course, students must use footnotes and provide a proper bibliography (in-text citations and "Works Cited" pages are not acceptable) in order to acknowledge their intellectual indebtedness. Use of the Chicago Manual of Style is mandatory. Consult the following link for a proper citation guide: [www.chicagomanualofstyle.org](http://www.chicagomanualofstyle.org). You will be penalized if you do not follow this format.

Finally, research conducted and used for POLS 5140 must be of an academic nature. Wikipedia, for example, is not an acceptable resource. Its content is not evaluated according to academic standards. If a student is in doubt as to the quality or academic relevancy of a particular resource, (s)he should discuss it with the professor.

### **Grades, Assessment and Communication**

Course grades will be assigned as follows:

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| 1) Attendance/Participation                        | 20% |
| 2) Presentations (2 X 10%)                         | 20% |
| 3) Reading Reviews (5 X 2%)                        | 10% |
| 4) Annotated Bibliography of Expressions of Crisis | 20% |
| 5) Essays (2 X 15%)                                | 30% |

The following scale will be employed in the assessment of student work:

<b>Letter Grade</b>	<b>Percentage</b>	<b>Letter Grade</b>	<b>Percentage</b>
A	93+	C+	77-79
A-	90-92	C	73-76
B+	87-89	C-	70-72
B	83-86	D+	67-69
B-	80-82	D	60-66
		F	Below 60

Assignments are submitted only in hardcopy and are due during class time. Assignments submitted on the due date, but after class time are late. The penalty for late assignments is five per cent per day (including weekends).

The American University in Cairo is committed to the highest standards of academic integrity and honesty. Academic dishonesty in any form will not be tolerated and, in accordance with departmental policy, will result in the immediate assignment of a grade of “F” for the course.

Students are expected to be familiar with the standards regarding academic honesty and to uphold the policies of the university in this respect. Students are particularly urged to familiarize themselves with their rights and responsibilities and avoid any behavior which could potentially result in suspicions of cheating, plagiarism, misrepresentation of facts and/or participation in an offense. Academic dishonesty is a serious offence and will be treated as such.

Two final points: POLS 5140 is supported by a Moodle site. It can be accessed through the following URL: <http://moodle.aucegypt.edu>. Also, the professor does not use email. Email undermines the professor-student relationship, is heavily surveilled by state apparatuses, atomizes communities and decreases productivity. All class related conversations will be had during the assigned office hours, which are extensive, or by appointment. Exceptions will be made *only* in case of emergency ([smcmahon@aucegypt.edu](mailto:smcmahon@aucegypt.edu)).

### **Student Support**

Audio and video recording of lecture, seminars or any other teaching relation is allowed only with the prior written consent of the professor or as part of an approved accommodation plan. Recorded material is to be used solely for personal study, and is not to be distributed for any purpose. Laptop computers are permitted in class, but their use is discouraged because the technology 1) does not enable students to internalize knowledge as well as hand-writing notes, and 2) interferes with the social relations of the classroom.

Students with disabilities or special needs should contact the professor at the start of the semester with the appropriate documents. Every effort will be made to accommodate such students, but in all cases prior arrangements must be made to ensure any special needs can be met in a timely fashion and in such a way as that none of the members of the classroom community are disadvantaged. Students requiring special support or services should be registered with the Student Disability Services Unit (<http://in.aucegypt.edu/student-life/student-well-being/disability-services>). While society’s dividing practices constitute students requiring support and/or accommodations as “abnormal,” they should never feel stigmatized in POLS 3620. Speak to the professor. He empathizes.

Students who feel alienated from themselves—experience what bourgeois psychology calls “stress” or anxiety— or are otherwise emotionally or psychologically taxed should contact the Student Counseling Center (<http://in.aucegypt.edu/student-counseling-center>).

## Required Texts

There are two required texts for this course:

Polanyi, Karl. *The Great Transformation: the Political and Economic Origins of Our Time* (Boston: Beacon Press, 1944).

Harvey, David. *A Brief History of Neoliberalism* (Oxford: Oxford University Press, 2007).

In addition to doing the assigned readings, students are encouraged to regularly follow the movement of commodity (wheat, oil) prices, the Bloomberg *Surveillance* podcast, Joachim Fels' blog entries for PIMCO, and Bill Gross' "Monthly Investment Outlook," and consult critical publications such as *Monthly Review*, *New Left Review*, the *Review of Radical Political Economics*, the World Socialist Web Site ([www.wsws.org](http://www.wsws.org)) and the Socialist Worker website ([www.socialistworker.org](http://www.socialistworker.org)).

## Schedule of Readings (note: this is a guideline and subject to change)

Date	Topic	Readings and Course Material
Sept. 6	Welcome	Course overview and sign-up for presentations
Sept. 13	The First Movement	Polanyi, K. Chapters 1-10, in <i>The Great Transformation: the Political and Economic Origins of Our Time</i> (Boston: Beacon Press, 1944), pp. 3-129.
Sept. 20	The Second Movement	Polanyi, K. Chapters 11-21, in <i>The Great Transformation: the Political and Economic Origins of Our Time</i> (Boston: Beacon Press, 1944), pp. 130-258B
Sept. 27	Historicizing Neoliberalism I	Harvey, D. "Introduction," in <i>A Brief History of Neoliberalism</i> (Oxford: Oxford University Press, 2007), pp. 1-4.  Harvey, D. "Freedom's Just Another Word," in <i>A Brief History of Neoliberalism</i> (Oxford: Oxford University Press, 2007), pp. 5-38.  Harvey, D. "The Construction of Consent," in <i>A Brief History of Neoliberalism</i> (Oxford: Oxford University Press, 2007), pp. 39-63.

		<p>Harvey, D. "The Neoliberal State," in <i>A Brief History of Neoliberalism</i> (Oxford: Oxford University Press, 2007), pp. 64-86.</p> <p>Harvey, D. "Uneven Geographical Developments," in <i>A Brief History of Neoliberalism</i>, (Oxford: Oxford University Press, 2007), pp. 87-119.</p>
Oct. 4	Historicizing Neoliberalism II	<p>Harvey, D. "Neoliberalism 'with Chinese Characteristics'," in <i>A Brief History of Neoliberalism</i> (Oxford: Oxford University Press, 2007), pp. 120-151.</p> <p>Harvey, D. "Neoliberalism on Trial," in <i>A Brief History of Neoliberalism</i> (Oxford: Oxford University Press, 2007), pp. 152-182.</p> <p>Harvey, D. "Freedom's Prospect," in <i>A Brief History of Neoliberalism</i> (Oxford: Oxford University Press, 2007), pp. 183-206.</p>
Oct. 11	Causes of Crisis	<p>Galbraith, J.K. "Cause and Consequence," in <i>The Great Crash of 1929</i> (New York: Avon Books, 1979), pp. 149-172.</p> <p>Bernanke, B. "Causes of the Recent Financial and Economic Crisis." Testimony Before the Financial Crisis Inquiry Commission, Washington, D.C. 2 September 2010. Available at: <a href="http://www.federalreserve.gov/newsevents/testimony/bernanke20100902a.htm">www.federalreserve.gov/newsevents/testimony/bernanke20100902a.htm</a></p> <p>Gordon, R. "The Ascent and Descent of Growth," in <i>The Rise and Fall of American Growth: The U.S. Standard of Living since the Civil War</i> (Princeton: Princeton University Press, 2016), pp. 1-23.</p> <p>Fine, B. and Saad-Filho, A. "Capitalism and Crisis," in <i>Marx's 'Capital,' 6<sup>th</sup> ed.</i> (London: Pluto Press,</p>

		<p>2016, pp. 78-88.</p> <p><b>Recommended Resource</b>  <i>The Inside Job</i> (available at: <a href="http://documentary-movie.com/inside-job/">http://documentary-movie.com/inside-job/</a>).</p>
Oct. 18	Slowed Expansion and Stagnation	<p>Summers, L. “The Age of Secular Stagnation: What It Is and What to Do About It,” <i>Foreign Affairs</i> March/April 2016.</p> <p>Despain, H. “Secular Stagnation: Mainstream Versus Marxian Traditions,” <i>Monthly Review</i> September 2015: 39-55.</p> <p>Bernanke, B. “Why are interest rates so low, part 3: The Global Savings Glut,” <i>The Brookings Institute</i>, 1 April 2015. Available at: <a href="https://www.brookings.edu/blog/ben-bernanke/2015/04/01/why-are-interest-rates-so-low-part-3-the-global-savings-glut/">https://www.brookings.edu/blog/ben-bernanke/2015/04/01/why-are-interest-rates-so-low-part-3-the-global-savings-glut/</a></p>
Oct. 25	(Delayed) Crisis of Democratic Harmonization	<p>Carr, E.H. “The Harmony of Interests,” in <i>The Twenty Years’ Crisis 1919-1939: An Introduction to the Study of International Relations</i> (New York: Palgrave, 2011), pp. 42-61.</p> <p>Streek, W. “From Legitimation Crisis to Fiscal Crisis,” in <i>Buying Time: The Delayed Crisis of Democratic Capitalism</i> (London: Verso, 2014), pp. 1-46.</p> <p>Streek, W. “Neoliberal Reform: From Tax State to Debt State,” in <i>Buying Time: The Delayed Crisis of Democratic Capitalism</i> (London: Verso, 2014), pp. 47-96.</p>
Nov. 1	Maybe it was something capital ate...	<p>Panitch, L. and S. Gindin. “Capitalist Crises and the Crisis this Time,” in <i>The Crisis This Time: Socialist Register 2011</i>, edited by Leo Panitch, Greg Albo and Vivek Chibber (Pontypool: Merlin Press, 2011), pp. 1-20.</p>

		<p>Huws, U. “Crisis as capitalist opportunity: new accumulation through public service commodification,” in <i>The Crisis and the Left: Socialist Register 2012</i>, edited by Leo Panitch, Greg Albo and Vivek Chibber (Pontypool: Merlin Press, 2012), pp. 64-84.</p> <p>Soederberg, S. “Cannibalistic Capitalism: The Paradoxes of Neoliberal Pension Securitization,” in <i>The Crisis This Time: Socialist Register 2011</i>, edited by Leo Panitch, Greg Albo and Vivek Chibber (Pontypool: Merlin Press, 2011), pp. 224-241.</p>
Nov. 8	Alternatives to, and Local Iterations of, Global Capitalist Crisis	<p>Albo, G. “The crisis and economic alternatives,” in <i>The Question of Strategy: Socialist Register 2013</i>, by Leo Panitch, Greg Albo and Vivek Chibber (Pontypool: Merlin Press, 2013), pp. 1-25.</p> <p>Hung, H. “China: Saviour or Challenger of the Dollar Hegemony.” <i>Development and Change</i> 6 (2013): 1341-1361.</p> <p>van Apeldoorn, B. “The European capitalist class and the crisis of its hegemonic project,” in <i>Registering Class: Socialist Register 2014</i>, edited by Leo Panitch, Greg Albo and Vivek Chibber (Pontypool: Merlin Press, 2014), pp. 189-206.</p>
Nov. 15	Processes of Financialization and Predation	<p>McNally, D. “Slump, austerity and resistance,” in <i>The Crisis and the Left: Socialist Register 2012</i>, ed. Leo Panitch, Greg Albo and Vivek Chibber (Pontypool: Merlin Press, 2012), pp. 36-63.</p> <p>Robbins, R. and Di Muzio T., “Consequences: The Debt–Growth–Inequality Nexus,” in <i>Debt as Power</i> (Manchester: Manchester University</p>

		<p>Press, 2016), pp. 87-125.</p> <p>Lapavistas, C. <i>Profiting Without Producing: How Finance Exploits Us All</i> (London: Verso, 2013), pp. 1-12 and 260-305.</p> <p>Das, S. <i>Traders, Guns and Money: Knowns and Unknowns in the Dazzling World of Derivatives</i> (New York: Pearson, 2010), pp. 23-61.</p> <p><b>Recommended Resource:</b>  Patterson, S. <i>Dark Pools: The Rise of the Machine Traders and the Rigging of the U.S. Stock Market</i> (New York: Crown Business, 2013), pp. 281-296.</p>
Nov. 22	“Reforming” the Education Process and Democratic Relations	<p>Giroux, H. “The New Right-Wing Assault on Higher Education,” in <i>The University in Chains: Confronting the Military-Industrial-Academic Complex</i> (Boulder, CO: Paradigm Publishers, 2007), pp. 137-199.</p> <p>Brown, W. “Neoliberalism and the End of Liberal Democracy,” in <i>Edgework: Critical Essays on Knowledge and Politics</i> (Princeton: Princeton University Press, 2005), pp. 37-59.</p> <p>Saull, R. “Capitalism and the Politics of the Far Right,” in <i>The Politics of the Right: Socialist Register 2016</i> (Pontypool: Merlin Press, 2016).</p>
Nov. 29	Crisis of Humanity’s Metabolic Relation with Nature	<p>O’Connor, J. “The Second Contradiction of Capitalism,” in <i>The Greening of Marxism</i> ed. T. Benton (New York: Guilford Press, 1996), pp. 197-221.</p> <p>Smith, N. “Nature as Accumulation Strategy,” in <i>Coming to Terms with Nature: Socialist Register 2007</i> ed. Leo Panitch and Colin Leys (Pontypool: Merlin Press, 2016), pp. 16-36.</p> <p>Bellamy Foster, J. and Clark, B. “The</p>

		<p>Planetary Emergency,” <i>Monthly Review</i> December 2012: 1-25.</p> <p>Malm, A. “Revolution in a Warming World: Lessons from the Russian to the Syrian Revolutions” in <i>Rethinking Revolution: Socialist Register 2017</i>, ed. Leo Panitch and Greg Albo (Pontypool: Merlin Press, 2016), pp. 120-142.</p>
Dec. 6	Egypt’s Particular Expression of Global Crisis	<p>McMahon, S. “The Dialectics of Egypt’s Crisis Moment,” in <i>Crisis and Class War in Egypt</i> (London: Zed Books, 2017).</p> <p>McMahon, S. “Fetishisms and Factions,” in <i>Crisis and Class War in Egypt</i> (London: Zed Books, 2017).</p> <p>McMahon, S. “Factional Realignment and Reform,” in <i>Crisis and Class War in Egypt</i> (London: Zed Books, 2017).</p>
Dec. 13	Course Reprise	What is to be done, ideally and materially?

Note: this semester there are no so-called “make up” classes for Wednesday seminars.