

## *Course Syllabus*

HI/POL 439  
Global Financial Crises  
(3.0 Credits)

Wednesdays: 2:30PM – 5:20PM  
Fall 2019  
Course Location: Henry 207

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**Course Description:** The international financial crisis that originated in the U.S. subprime mortgage market has deeply affected the global political economy. It indicates a shift in economic power away from the advanced economies of Europe, the United States and Japan to rapidly emerging economies such as China, India and Brazil. Indeed, the crisis is likely to trigger fundamental changes in the institutional architecture of international finance and the geo-economic landscape of globalization. This course aims to provide a macro-perspective on the evolution of the global financial system since 1850, an analysis of the origins of the 2008 Financial Crisis and the likely consequences of this crisis for the global political economy to students.

**Course Learning Outcomes:** Using the discipline frames of history, comparative politics, international relations (international studies), and political economy the successful student will have demonstrated:

1. An understanding of historical change, continuity, and causality with a focus on a comprehensive interdisciplinary understanding of the origins and dynamics of financial crises (HI/POL PLO 1 and 2; IS PLO 2 and 3).
2. The ability to creatively analyze specific elements shaping the dynamics of the international financial system as assessed by a final group project leading to a summary presentation (HI/POL PLO 1 and 2; IS PLO 1, 2 and 3).
3. Detailed and applied knowledge as well as practical insights to interpret the history and contemporary challenges facing the international monetary system, including the nature and functions of money, commercial banking, and central banking systems with multiple views and interpretations that avoid explanations based on historical linearity and/or political inevitability (HI/POL PLO 1, 2, and 3; IS PLO 1-5).
4. An understanding that enables students to examine one specific set of readings, thus demonstrating an ability to proactively work with others, how to make an effective oral presentation, and how to relate reviewed materials to distinctive

features and challenges facing the international political economy (HI/POL PLO 4 and 5; IS PLO 5).

### **Course Schedule and Topics (subject to revision):**

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#### **Session 1 (August 28): *Understanding Financial Crises***

The general course framework, topics, and methodology will be introduced; guidelines for the preparation of case presentations and group projects reviewed; and the major themes of the course previewed.

#### **Session 2 (September 4): *The Origins of the International Financial System***

Niall Ferguson, *The Ascent of Money: A Financial History of the World*; a DVD by Chimerica Media & PBS

##### Readings:

Jeffrey A. Frieden, *Global Capitalism – Its Fall and Rise in the Twentieth Century*, W.W. Norton & Co., 2006, Prologue (pp. 1-10)

#### **Session 3 (September 11): *The Golden Age, 1896-1914\****

##### Readings:

Jeffrey A. Frieden, *Global Capitalism – Its Fall and Rise in the Twentieth Century*, W.W. Norton & Co., 2006, chapter 1 (whole); chapter 2 (only pp. 28-29 and pp. 50-55); and chapter 5 (whole)

#### **Session 4 (September 18): *Things Fall Apart, 1914-1939\****

##### Readings:

Jeffrey A. Frieden, *Global Capitalism – Its Fall and Rise in the Twentieth Century*, W.W. Norton & Co., 2006: chapter 6 (only pp. 127-134 and 148-154); and chapter 8 (whole)

#### **Session 5 (September 25): *Together Again, 1939-1973\****

##### Readings:

Jeffrey A. Frieden, *Global Capitalism – Its Fall and Rise in the Twentieth Century*, W.W. Norton & Co., 2006: chapter 11 (whole); chapter 12 (whole); and chapter 15 (only pp. 339-351 and pp. 359-360)

#### **Session 6 (October 2): *Neoliberal Globalization, 1973-2000\****

##### Readings:

Jeffrey A. Frieden, *Global Capitalism – Its Fall and Rise in the Twentieth Century*, W.W. Norton & Co., 2006: chapter 16 (whole); chapter 17 (only pp. 392-405), chapter 20 (whole) and Conclusion (whole)

#### **Session 7 (October 9): *Inside Job***

View the DVD “Inside Job” with Matt Damon (Actor) and Charles Ferguson (Director); Sony Pictures Classics; released March 8, 2011; Run Time: 120 minutes; ASIN: B0041KKYBA

**Session 8 (October 16): *The Origins of Financial Crises*\***Readings:

George Cooper, *The Origin of Financial Crises – Central Banks, Credit Bubbles and the Efficient Market Fallacy*, Vintage Books, 2008; chapters 1-3 (pp. 1-90).

**Session 9 (October 23): *The Origins of Financial Crises (cont'd)*\***Readings:

George Cooper, *The Origin of Financial Crises – Central Banks, Credit Bubbles and the Efficient Market Fallacy*, Vintage Books, 2008; chapters 4 & 5 (pp. 91-125) and chapters 7-9 (pp. 141-172).

**Session 10 (October 30): *The Exorbitant Privilege*\***Readings:

Barry J. Eichengreen, *Exorbitant Privilege: The Rise and Fall of the Dollar and the Future of the International Monetary System*, Oxford University Press, 2011; chapters 1-3 (pp. 1-68); chapter 4 (only pp. 69-72 & pp. 93-96).

**Session 11 (November 6): *The Future of the International Monetary System*\***Readings:

Barry J. Eichengreen, *Exorbitant Privilege: The Rise and Fall of the Dollar and the Future of the International Monetary System*, Oxford University Press, 2011; chapters 5-7 (pp. 97-177).

Selected readings from current articles in *Foreign Affairs* and other publication outlets on the global financial system.

**Session 12 (November 13): *Presentation of Final Group Projects*****Session 13 (November 20): *Presentation of Final Group Projects*****Session 14 (November 27): *Too Big To Fail***

View the DVD “Too Big to Fail” by HBO Studios, June 12, 2012; Run Time: 98 minutes; ASIN: B004EPYZDA

**Session 15 (December 4): *Review session and final test (time to be announced)*****Required Texts**

1. Jeffrey A. Frieden, *Global Capitalism – Its Fall and Rise in the Twentieth Century*, W.W. Norton & Co., 2006; ISBN 978-0-393-32981-0
2. George Cooper, *The Origin of Financial Crises – Central Banks, Credit Bubbles and the Efficient Market Fallacy*, Vintage Books, 2008; ISBN 978-0-307-47345-5
3. Barry J. Eichengreen, *Exorbitant Privilege: The Rise and Fall of the Dollar and the Future of the International Monetary System*, Oxford University Press, 2011; ISBN 978-0-19-975378-9

### **Assignments and Participation**

The course will emphasize critical thinking and include a variety of tasks to be completed. The course grade will be based on tests, oral participation & attendance, one group project leading to a final presentation, and one reading review presentation during the course. The following describes each of these tasks:

Class Participation (20%): Class participation is an essential part of taking advantage of the materials presented in this course. Students are expected to have completed the required readings before each session to facilitate discussion and create an effective learning environment. While difficult to measure, class participation will be understood to consist of three basic elements: first, class attendance (a prerequisite for actually participating in discussions); second, listening carefully and attentively to classmates and lectures; and third, participating actively in class discussions, presenting creative and thoughtful ideas and leading discussions, especially when issues pertaining to personal interest or knowledge are involved.

Attendance Policy: Please note that one (1) absence is allowed; additional absences will incur a three (3%) point deduction from the oral participation and attendance grade. Virtually no participation will also be reflected in the final course grade.

Final (30%): This will be a multiple-choice test, assessing the understanding and knowledge students have acquired concerning key concepts, relationships and materials covered in the readings, audiovisual presentations, and lectures.

Note: Students can only miss this test for an emergency that will have to be proven by sufficient evidence. Make-up tests will NOT be entitled to bonus points and may be subject to a three point deduction for failure to take the test on the originally scheduled date and time.

Reading Review Presentation (25%): Students will be required to make presentations (either individually or in groups of 2-3, depending on class size) on the readings required for this course (all weeks marked with “\*” are possible choices). They will generate a power point presentation on these readings (generally 2-3 chapters or articles). Presentations should last at the very maximum 30 minutes for individual presentations and 40 minutes for group presentations. These presentations will have to be posted on CANVAS in the assigned discussion string at least TWO days (48 hours) ahead of the actual presentation in class (i.e., by Monday afternoon before 2:30pm). Points are awarded for the quality and style of the actual reading review presentation in class and encompass three tasks: A.) a **thorough review of the reading materials**, including the main points/arguments and evidence provided in the readings with particular emphasis on **an effective distillation of the materials**; B.) **additional materials** assembled by the presenter(s) to further clarify the subject-matters discussed; and C.) an **analysis of how the materials fit in with other readings/materials** and the overall topics/objectives of the course.

**Final Project Presentation (25%):** Students will be asked to form teams to make a summary presentation during the last class meetings. For this class, specific topics/questions will be provided from which students can choose. There are at least five possible topics to choose from, including:

- A. The history of the international monetary system (Impossible Trinity)
- B. The future of the US Dollar and its Exorbitant Privilege
- C. Challengers to the US Dollar: The RMB and EURO
- D. The origins of the 2008 financial crisis
- E. The future potential of another financial crisis – what are the possible stress points in our present financial system?

Teams will be asked to create a clear division of labor, with each member covering a distinct topic under a general heading. During several sessions time will be provided for questions and discussions among group members, sometimes with guidance from the professor. Teams are encouraged to use materials from outside the lectures, including web-based information. However, the presentations and assigned readings of the class are central in putting together a successful presentation.

Each team member will have ten minutes (a maximum of twelve slides) for their presentation, and presentations should be sufficiently integrated to flow seamlessly and be visually enticing. While each team member is graded individually, the integration of presentation and analytical materials, as well as overall team effort will influence that grade.

### **Grade Calculation:**

A = 90% (points) or higher; B = 80% - 89%; C = 70% - 79%; D = 60% - 69%; F = 59% or less

Grades are calculated from the student's daily work, class participation, tests, oral presentations & reports, and the final examination. They are interpreted as follows: A Outstanding scholarship and an unusual degree of intellectual initiative; B Superior work done in a consistent and intellectual manner; C Average grade indicating a competent grasp of subject matter; D Inferior work of the lowest passing grade, not satisfactory for fulfillment of prerequisite course work; F Failed to grasp the minimum subject matter; no credit given.

### **Course Ground Rules**

General guidelines for student behavior at Chaminade University are provided in the Student Handbook. If you wish to contact the professor, please do so by using the professor's Chaminade email account at: [christopher.mcnally@chaminade.edu](mailto:christopher.mcnally@chaminade.edu).

Do not use eCollege or any other email account to contact the professor (the CANVAS email function directly links to the professor's Chaminade email account, so you can use this as well). Please:

- Always include a subject line.
- Be careful in wording your emails. Always be as precise as possible.
- Use standard fonts and formats.

If it is an emergency, you can contact the instructor *via* phone (though email is still best, since I check it often).

### **Academic Honesty and Conduct Policy**

Students are responsible for promoting academic honesty at Chaminade by not participating in any act of dishonesty and by reporting any incidence of dishonesty to an instructor or to a University official. Academic dishonesty may include theft of records or examinations, alteration of grades, and plagiarism (see Student Handbook on *Plagiarism*). Questions of academic dishonesty in a particular class are first reviewed by the instructor who must make a report with recommendations to the relevant Dean. Consequences for academic dishonesty may range from an “F” grade for the work in question to an “F” grade for the course to suspension or dismissal from the University.

In addition, Chaminade University has a set of rules and standards of conduct by which it operates. These reflect both the Catholic, Marianist values of the institution and to honor and respect students as responsible adults. All alleged violations of the community standards are handled through an established student conduct process, outlined in the Student Handbook, and operated within the guidelines set to honor both students’ rights and campus values. Students should conduct themselves in a manner that reflects the ideals of the University. This includes knowing and respecting the intent of rules, regulations, and/or policies presented in the Student Handbook, and realizing that students are subject to the University’s jurisdiction from the time of their admission until their enrollment has been formally terminated.

Please refer to the Student Handbook for more details. A copy of the Student Handbook is available on the Chaminade website at: <https://chaminade.edu/wp-content/uploads/2019/08/NEW-STUDENT-HANDBOOK-19-20-Final-8.20.19.pdf>

### **Electronic Devices Policy**

Using an electronic device for activities unrelated to the learning experience coordinated by the Professor distracts the student using the device, his/her neighbors, and the Professor. Additionally, this usage is viewed as disrespectful of all others engaged in the teaching/learning process. Therefore, all electronic devices (e.g., cell phones, tablet PCs, digital cameras, and laptops) are not to be used during class unless the Professor authorizes their usage for a class-related purpose. In particular, cell phones are to be turned off and are not to be used during a class. If the Professor gives permission for the use of a personal computer and/or digital recorder for note-taking or to follow the power points presented in class, then this is the sole purpose to which these devices should be put. Failure to comply with these policies will result in one warning. If the student continues to not comply with this policy, he/she will receive a failing grade (“F”) for the class.

### **Students with Disabilities**

If you need individual accommodations to meet course outcomes because of a documented disability, please speak with me to discuss your needs as soon as possible so that we can ensure your full participation in class and fair assessment of your work. Students with special needs who meet criteria for the Americans with Disabilities Act (ADA) provisions must provide written documentation of the need for accommodations

from the Counseling Center by the end of week three of the class, in order for instructors to plan accordingly. If a student would like to determine if they meet the criteria for accommodations, they should contact the Counseling Center at (808) 735-4845 for further information.

### **Title IX Compliance**

Chaminade University of Honolulu recognizes the inherent dignity of all individuals and promotes respect for all people. Sexual misconduct, physical and/or psychological abuse will NOT be tolerated at CUH. If you have been the victim of sexual misconduct, physical and/or psychological abuse, we encourage you to report this matter promptly. As a faculty member, I am interested in promoting a safe and healthy environment, and should I learn of any sexual misconduct, physical and/or psychological abuse, I must report the matter to the Title IX Coordinator. If you or someone you know has been harassed or assaulted, you can find the appropriate resources by visiting Campus Ministry, the Dean of Students Office, the Counseling Center, or the Office for Compliance and Personnel Services.

### **Characteristics of a Marianist Education**

The following are characteristics of the approach to education engaged at Marianist schools, including Chaminade University:

- Educate for formation in faith
- Provide an integral quality education
- Educate in family spirit
- Educate for service, justice and peace
- Educate for adaptation and change

### **Instructor Background Information**

Prof. Christopher A. McNally is a Professor of Political Economy at Chaminade University and Nonresident Fellow at the East-West Center in Honolulu, USA. His research focuses on comparative capitalisms, especially the nature and logic of China's capitalist transition. He is also working on a book project that studies the implications of China's capitalist reemergence on the global order. He received his Ph.D. in political science from the University of Washington and has edited four volumes, including an examination of China's political economy: *China's Emergent Political Economy – Capitalism in the Dragon's Lair* (Routledge, 2008). He also has authored numerous book chapters, policy analyses, editorials and articles in journals such as *World Politics*, *International Politics*, *Business and Politics*, *Communist and Post-Communist Studies* and *Comparative Social Research*.

### **Syllabus Modification**

This syllabus is only a plan. The instructor may modify the plan during the course. The requirements of the course may be altered from those appearing in the syllabus. Further, the plan contains criteria by which the student's progress and performance in the course will be measured. These criteria may also be changed.