

Advanced Political Economy I: Classical Macrodynamics

Primary Text: Shaikh, Anwar. 2016. *Capitalism: Competition, Conflict, Crises*. New York: Oxford University Press.

I. Rise and Fall of Modern Macroeconomics

A. Micro Foundations and Macro Properties

Shaikh, Anwar. 2016. *Capitalism: Competition, Conflict, Crises*. New York: Oxford University Press: Ch 12 Section I.

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B. Pre-Keynesian macroeconomics

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C. Keynes' breakthrough

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Wapshott, Nicholas. 2011. *Keynes Hayek: the clash that defined modern economics*. New York: W.W. Norton & Company: Chs 3, 9

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D. The return of Neo-Walrasian economics

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Snowdon and Vane, *op. cit.*: Chs 4-7

Wapshott, *op. cit.*, Chs 15-17

E. Kalecki

Shaikh, Anwar. 2016. *op. cit.*: Ch 12 Section V

Kalecki, Michal 1968. *Theory of Economic Dynamics*. New York: Monthly Review Press: Chs 1-5

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F. Post Keynesian Economics

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II. Classical Macrodynamics

A. Keynes and Kalecki on Competition and Effective Demand

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B. Kalecki and Keynes on Investment Finance

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C. Savings Rates, Capacity Utilization and Expectations

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D. Growth Dynamics

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E. Classical Macrodynamics

Shaikh, Anwar. 2016. *op. cit*: Ch 13 Sections III

III. Wages, Profits and Unemployment

A. Introduction

Marx, Karl. 1967. *Capital: Volume I*. New York, NY: International Publishers Co., Inc: Ch 25

B. Wages and unemployment in economic theories

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D. The relation of the classical wage curve to the Phillips Curve and evidence

Shaikh, Anwar. 2016. *op. cit*: Ch 14 Sections V-VII

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IV. Inflation and Modern Money

A. Money, markets and the State

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B. Chartalism, neo-Chartalism and modern finance

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C. Classical Theory of Inflation

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V. Growth, Profitability and Recurrent Crises

A. Recurrence of Economic Depressions

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B. Profitability in the postwar period in the United States

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C. The Global Effects of the Current Crisis

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E. On the Role of Economic Theory

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VI. Further Implications and Applications of the Analysis

A. Modes of Criticism of Orthodox Economics

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D. Piketty and the Classical Theory of Distribution

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Piketty, Thomas. 2014. *Capital in the Twenty-First Century*. Cambridge, MA: Harvard University Press.

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