



**Course Title:**           **The Southern European Debt Crisis in Historical and Theoretical Perspective**

**Course Code:**           **ROMA ECMO 380**

**Instructor:**           **Benjamin Scribner**

**Credits:**               **3**

**Semester(s)/Terms to be offered:**   **Spring, Fall**

**Course Description:**       In 2010, Greece’s government debt reached 300 billion Euro, the largest in its modern history, triggering an EU-wide crisis centered on its Mediterranean members. In June 2012, Spain negotiated a massive bailout of its banking system, and high borrowing costs could be driving Italy in the same direction. What are the historic and contemporary roots of this crisis? How are governments, businesses and civil society responding? What can we expect in the coming period? Using an overview of classical and contemporary economic theories of crisis and accompanied by historical case studies, this course will offer students the basic analytical tools to seek answers to these complex questions.

**Learning Outcomes:**       Economic theories of crisis: Students will learn to use the fundamental principles of classical and contemporary economic thought to analyze the European sovereign debt crisis.

Current events in their context: Students will become informed about current events and policy debates through in class discussions and readings of current news articles and commentary. Students will be able to connect current developments with historical economic events and analyze similarities and differences.

Critical thinking: Students will be encouraged to develop their own points of view and express them in class and in reading response papers. The instructor will bring in a variety of course materials in order to help students be aware of the full range of debate around these issues.

**Course**                   Required Text: Understanding Capitalism: Competition, Command,



**Requirements:** and Change, Samuel Bowles, Richard Edwards, and Frank Roosevelt, 2005. 3rd edition. ISBN 978-0195138658, Cost: To be determined

Mid-Term Exam and Final Exam: these exercises will test students' ability to analyze material and theories presented during the course through short answers and essay questions. Each exam will ask you to demonstrate the breadth and depth of your understand

Reading response papers: Students will write brief critical responses to the readings. These should include a summary of the most important points and the student's own opinion.

#### Grading Criteria

30% Mid-Term exam

30% Final Exam

30% Reading response papers

10% Participation

Your classroom participation will be evaluated. Those whose classroom participation is perceived to be superior may receive a bonus toward the semester grade. The QUALITY (not QUANTITY) of your participation is important. The instructor will evaluate your comments for relevance, insight, clarity, logic and original thinking.

The above course requirements are the instructor's way of evaluating student progress toward the learning outcomes.

Relationship between Learning Outcomes and course assignments: Outcome 1 (economic theory): Students will be exposed to economic theory through readings and lecture and will be tested over this material in the midterm and final exam. Outcome 2 (current events): Students will learn about current events through lectures and readings and utilize this knowledge in examinations and readings response papers. Outcome 3 (critical thinking): Students will be expected to engage course material critically through the reading response paper, which will require critical assessment of the reading, not summary. Students will also be expected to engage in class discussions, offering their own perspectives based in course materials and other valid academic sources.

This is an upper division undergraduate course.



**Course Outline:**

Week 1 – Introductory topics

- Day 1 – Introduction to course objectives, opening topics
- Day 2 – Recessions and Depressions: A brief history of economic crisis

Readings: Bowles, Edwards & Roosevelt ch. 1 & 2

Week 2 – The industrial revolution and the rise of capitalism

- Day 3 – Theorists: Smith and Ricardo. Romanticism: a reaction to science, rationality and industry (Compare to modern subcultures & movements)

• Day 4 – Big industry, free trade. An overview of the social and political conditions in 19th century Europe. Theorists: Malthus, Mill. Compare and contrast to global conditions in the 21st century. Marx: alienated labor and commodity fetishism. Relevance in modern consumer society?

Readings: Bowles, Edwards & Roosevelt ch. 3 & 4

Week 3 – Classical Economic thought: Marxists, Socialists and Anarchists

- Day 5 – The Marxian interpretation of capitalism. Anarchist vs. Marxist revolutionary theory. Democratic socialism.
- Day 6 – Case studies: Germany post-WWI, Spanish Civil War, The Bolshevik Revolution.
  - o The influence of contemporary communist, anarchist and socialist movements in Europe.

Readings: Bowles, Edwards & Roosevelt ch. 5 & 6

Week 4 – The Keynesian response to Economic Crisis

- Day 7 – “Belt tightening” vs. government intervention in the 1930s & 1940s . Comparisons: US, Britain & France , Axis power (fascist) economic models, The Soviet model
- Day 8 – Contemporary Policy: The continued relevance of the Keynes-classical debates in the current European crisis.

Government interventions vs. balanced budgets

Readings: Bowles, Edwards & Roosevelt ch. 16

Week 5 – The labor-capital contract in Western Europe

- Day 9 - Emergence of consumer society. The European Economic Community vs. Eastern Socialism. Military Keynesianism
- Day 10 – 1970s-80s Stagflation & Recession in Western Europe. Dismantling the Welfare State. Theorist: M. Friedman. The Reagan-Thatcher years. The Soviet Model enters crisis.



Readings: Bowles, Edwards & Roosevelt ch. 12 & 13

Week 6 – Exam

- Day 11 – The 1990s: The fall of the Soviet Bloc and “The End of History” Economic boom, “Shock therapy” in former socialist states, The formalization of the European Union
- Day 12 – MIDTERM EXAMINATION

Week 7 – Decolonization and the post-colonial order. The legacy of colonialism in EU-world economic relations.

- Day 13 – Globalization and European deindustrialization. Anti-Globalization movements. Case studies: Genoa G8 Conference, 2001. Debt Crisis and the legacy of European colonialism in Sub-Saharan Africa
- Day 14 –Deregulation and the “finance bubble”

Readings: Bowles, Edwards & Roosevelt ch. 14 & 15

Week 8 – The 2000s economic crisis in the US: A warning to Europe

- Day 15 - The giant pool of money: a Marxian crisis of overproduction?
- Day 16 – Bailouts & policy options

Readings: Bowles, Edwards & Roosevelt ch. 17

Week 9 – The Southern European Sovereign Debt Crisis in focus

- Day 17 – Greece
- Day 18 – Spain and Italy

Week 10 – Popular responses to crisis: historical and modern

- Day 19 – Case studies: Labor Movements of the 1930s, Argentina economic crisis 1999-2002
- Day 20 – Contemporary Case studies: Occupy Wall Street, Spanish Student Movements, Popular upheaval in Greece 2011.

Readings: Bowles, Edwards & Roosevelt ch. 19

Week 11 – The Arab Spring: economic implications for the Mediterranean region

- Day 21- Analysis of European economic & political interests. Are protest movements in Europe, the USA and the Arab world influencing/inspiring each other?

Week 12 – Review, Final Exam.

- Day 23 – Review and current issues



- Day 24 – FINAL EXAMINATION

**Other Policies:** The course follows Arcadia University's policies on attendance and plagiarism (see Student Handbook and Academic Contract).

**Prerequisites:** Students must have completed at least two courses in any of the subjects listed below.

- Economics or Political Economy
- Political Science courses with a European or International dimension
- Courses in International Business
- Sociology of International Development, Soc of World Systems, Soc of Globalization.

Other related courses may fulfill this requirement by special agreement with the instructor.

**Rationale and Impact of the Course:**

**Special Conditions:** A classroom with a PC and projector.

**Country and Program Connection:** Field Study in Rome:  
ARCADIA UNIVERSITY SYMPOSIUM ON POLITICAL ECONOMY IN THE MEDITERRANEAN TIMES OF CRISIS: DIFFICULTY AND OPPORTUNITY

Through this course, students in Rome and Athens will look at their respective cities through the very contemporary lens of today's economic situation. Leading up to their field study, a combined conference held in Rome towards the end of the term, students will prepare to compare and contrast their local realities with that of their companions and each will identify factors that define and characterize political economy in the Mediterranean region in the European Union framework. The field study will be in part symposium, (Arcadia University Symposium on Political Economy in the Mediterranean Times of Crisis), and open to the public and student body of Università degli Studi Roma Tre during which students from Rome and Athens will listen together to external experts in the field. There will also be an exploratory



aspect to it; Rome students will act as hosts and show their city through the lens of the weekend's theme and Athens students will compare and contrast what they see with what knowledge they bring from their own city. Lastly, there will be the workshop component where mixed groups, guided by their professors, will examine issues and topics put forth throughout the working weekend and come back with a paper and presentation on them. The end of the weekend will be dedicated to visiting the Eternal City with newly forged friendships before heading back to the members' respective programs..