

**Money as a Cultural, Economic and Social Institution
Syllabus**

"For the love of money is the root of all evil: which while some coveted after, they have erred from the faith, and pierced themselves through with many sorrows." Timothy 6:10

"A feast is made for laughter, and wine maketh merry: but money answereth all things." Ecclesiastes 10: 19

Readings marked with a * are required and, with one exception, can be found on the course web page. Students must acquire a copy of *Maestro* by Bob Woodward. Readings without a * are optional.

Part I The Nature of Money and the Evolution of Money from Primitive to Modern Forms

A. The Nature of Money

- * Editors, US Airlines In-Flight Magazine, "New Money"
 - * Adam Smith, *An Inquiry into the Nature and Causes of the Wealth of Nations*, The Modern Library, New York, 1937, Chapters 1-4, 3-32.
 - * R. A. Radford, "The Economic Organization of a P.O.W. Camp," *Economica*, 1945, 189-201.
- John Kenneth Galbraith, *Money: Whence It Came, Where It Went*, Revised Edition, Houghton Mifflin Company, Boston, 1997.

B. Evolution of Money from Primitive to Modern Forms

- * Gary Smith, "Commodity Money and Government Money," Chapter 2, *Money and Banking*. Addison Wesley, Reading MA 1982, 15-34.
 - * Angela Redish, "Anchors Aweigh: The Transition from Commodity Money to Fiat Money in Western Economies," *Canadian Journal of Economics*, November, 1993, 777-95.
 - * Paul Heyne, "The Supply of Money, Chapter 16, *The Economic Way of Thinking*, Ninth Edition, Prentice Hall, New York, 2000, 403-23.
- Paul Einzig, *Primitive Money, Second Edition*, Pergamon Press, Oxford, 1996.

Part II An Introduction to Banks and the Origins of Banking

A. What is a Bank?

- * Mishkin, Frederic S., "An Overview of the Financial System," Chapter 2, *The Economics of Money, Banking, and Financial Markets, Seventh Edition*, Pearson Addison Wesley, Boston, 23-43.

B. Early Banks

- * Roger Orsingher, *Banks of the World*, Walker and Company, NY, 1967, 1-24.
- * Robert S. Lopez, "The Dawn of Medieval Banking," in Center for Medieval and Renaissance Studies, *The Dawn of Modern Banking*, Yale University Press, New Haven, 1979, 1-24.

Part III: Money, Interest and Prices

- * Federal Reserve Bank of New York, "Interest Rates: An Introduction," http://www.ny.frb.org/education/interest_rates.html
- * Adam Smith, *op. cit.*, Chapters 5-7, 33-72.
- * Irving Fisher, *The Theory of Interest*, Augustus M. Kelley Publishers, Clifton, New Jersey, 1974, 3-58.

IV. Money and Politics

- * Bray Hammond, *Banks and Politics in America*, Princeton University Press, 1957, 89-143.
- * Milton Friedman, "The Crime of 1873," *Journal of Political Economy*, 98,6, 1990, 1159-78.
- * Bob Woodward, *Maestro: Greenspan's Fed and the American Boom*, Touchstone, Simon and Schuster, New York, 2000.

V. Money as a Metaphor

- * Robert A. Leonard, "Money and Language," Chapter 1 in Di Gaetani, John Louis, ed., *Money: Lure, Lore, and Literature*, Greenwood Press, Westport, Connecticut, 1994.
 - * Hugh Rockoff, "The 'Wizard of Oz' as a Monetary Allegory," *Journal of Political Economy*, 98, 4, 1990, 739-60.
- Kevin Jackson, ed., *The Oxford Book of Money*, Oxford University Press, 1995.
- Alexander Puskin, *The Queen of Spades and Other Tales*, Penguin Books, Baltimore, 1962, pp. 153-186.

VI. Monetary Policy

- * Paul Heyne, *op. cit.*, Chapter 17, 425-47.
 - * Ann-Marie Meulendyke, *U. S. Monetary Policy and Financial Markets*, Federal Reserve Bank of New York, 1998, Chapter 8 (Responses to Federal Reserve Policy), pp. 189-206.
 - * Frederic Mishkin, "Global Financial Instability: Framework, Events, Issues," *Journal of Economic Perspectives*, Volume 13, Number 4, Fall, 1999, 3-20.
- Greenspan, Alan, "Risk and Uncertainty in Monetary Policy," *American Economic Review*, 94, 2, May, 2004, 33-40. (See also the panel discussion on pages 41-48).
- William Greider, *Secrets of the Temple*, Simon and Schuster, New York, 1987, 11-121.
- Frederic Mishkin, "Symposium on the Monetary Transmission Mechanism," *Journal of Economic Perspectives* Volume 9, Fall 1995, 3-10.
- Maurice Obstfeld, "The Global Capital Market: Benefactor or Menace," *Journal of Economic Perspectives*, Volume 12, Number 4, Fall, 1998, 9-30.