

Week 1 (April 18 2022), Part 1: Course Organization

[Start Zoom recording, if any, here.]

Welcome

Welcome to this online course offered by the Henry George School of Social Science in New York City. This course will be offered starting today for six consecutive weeks on Mondays starting at 6:30 pm Eastern Daylight Time.

The subject of this course is Modern Money Theory, which is also known as Modern Monetary Theory or "MMT" for short. Modern Money Theory is a lens through which we look at the workings of contemporary capitalist economies, draw inferences about possible lines of modification of those economies, and then, once we have articulated our social and political values, develop and implement policies for such economies.

In this course, we're going to be looking at MMT by collectively doing a close reading of just one book: *The Deficit Myth: Modern Monetary Theory and the Birth of the People's Economy*, by Stephanie Kelton, a professor of public policy at Stony Brook University in Long Island. This book was published in mid-2020, was widely and favorably reviewed, and is available in hardcover, paperback and e-book formats. When you registered for this course, you were advised to get a copy of the book and read at least the Introduction in preparation for today's session. If you haven't gotten the book already, I advise you to do so immediately, as you will be completely lost without it.

In today's session we will discuss the format and objectives of this course and what you need to do to get the most out of it. Then I will provide a bird's-eye view of what Stephanie Kelton is trying to accomplish with this book. By implication, this will establish why Modern Money Theory is so important and merits your close study. Once we have that overview, we will actually begin to discuss Kelton's book using the format that I will now outline.

Course Format

At this point you should be prepared to take notes, either with pen and paper or by typing at your

computer keyboard. If you are typing, however, please make sure that you are muted in Zoom so that we don't hear your keystrokes.

What the Format of This Course Will *Not* Be

This course will primarily *not* have a lecture format. Nor will this course rely primarily on slide presentations.

This is the third course I've presented or co-presented through the Henry George School. The first such course, an MMT-flavored macroeconomics course, was co-presented with Adam Rice in September 2019 -- in the "Before Times." It was presented at the Henry George School in Manhattan. You'd come off the street, sit down in a small auditorium, and hear Adam and myself speak and run through Google slides for the better part of 90 minutes. We assigned reading and published a fair sized bibliography which, if you as a student were really ambitious, would give you a deep understanding of MMT. But we had had little way to incentivize the majority of the students to actually do the reading. So much of the discussion on the part of the students came down to their *opinions* about MMT, as distinct from what *knowledge* of MMT we happened to convey or they managed to pick up from the reading.

I presented a second time in November 2020, this time more specifically on MMT. The pandemic was well under way, so this course was presented online via Zoom. But, otherwise, the course was structured much the same way: I lectured for 45 to 50 minutes, ran through slides, and had little way to guarantee that students did at least some of the reading. It became quite apparent that some of the students had strong opinions about MMT and felt free to express them regardless of whether they had done the reading or not.

When Ibrahima Drame, the Henry George School's Education Director, asked me to present again on MMT, I raised these concerns with him and we agreed that it would be worthwhile to try a new format for this online course.

What the Format of This Course *Will* Be

This course will be more of a seminar than a lecture.

Prior to each of the five remaining sessions in this course, you will be assigned one or

two chapters in Stephanie Kelton's *The Deficit Myth*. I will also post a half dozen or so discussion questions which you will be expected to think about as you work through the reading assignments. Some of the discussion questions will be definitional, *i.e.*, they will ask you how to define a concept like, say, *monetary sovereignty*, that Kelton introduces in the week's reading assignment. Other questions will ask you to explain certain concepts Kelton discusses, such as the federal Job Guarantee. The questions will exercise your ability to articulate the MMT concepts much more than they will ask you to offer your personal opinion about those concepts.

In the remaining five course sessions, I will begin by speaking for no more than ten minutes. I hope that my opening remarks will *frame* the discussion and provide context for the approach Kelton is taking in the assigned chapters. I will probably not be preparing slides for these opening remarks, so you will simply have to take notes as I speak on camera.

We'll then move in to the heart of each week's session: Discussing the questions assigned in advance. I will pick one you off the course registration list and ask you the first of the discussion questions. If you've done the reading and know the answer, you'll provide it and we'll move on to someone else. If you haven't done the reading and have no idea what the answer is, you'll simply say, "*Pass*," and we'll go on to another person. If, however, you have done the reading but don't feel that you know how to answer it, you will take your best shot at an answer. I'll try to coach you as to what parts of your answer are good and which parts need improvement. We'll go back and forth and try to firm up your understanding of the MMT concept. We may then pose the same question to other students as well.

We'll go through each discussion question in turn. You may not be called upon in every class session, but I'll be trying hard to make sure that no one leaves this course without having to answer at least one discussion question -- and probably more than one.

If we manage to go through all the pre-assigned discussion questions and have time left over, we'll open up for general discussion. You'll raise your hand in the Participants window. We'll call upon you in turn, but we will prioritize students who have not yet spoken in a given week's session.

This format is something we're trying for the first time. We don't know how successful it

will be. What we do know is that the more of you who do the readings and work through the discussion questions in advance of each class, the more informed and stimulating each class session will be.

Technologies Used in This Course

Due to the continuing COVID-19 pandemic, this course is being taught online. So to take the course you have to be able to use the computer technologies that the Henry George School and I are using to present the course to you. Those technologies are Zoom and Slack.

Zoom

If you're actually seeing and hearing me now, then you have Zoom installed on your computer or phone and are probably familiar with its basic operation.

If you're like me, after two years of the pandemic, you probably have a love/hate relationship with Zoom. It has improved a lot over the past two years but still leaves much to be desired. It's a memory hog and takes a long time to load on my computer. When I, as presenter, am sharing my screen, I can see my screen but generally can't see you in the audience to get your reactions to what I'm presenting.

For the purpose of this course, I recommend that you use Zoom as follows:

- Use your real name (or, at the very least, you're real first name) in your Zoom description. I have a list of the names of everyone who has registered for this course and I will be calling upon each of you at one point or another during the course.
- Mute your microphone when you are not speaking. Unmute your mike just before you start speaking.
- If you are not already on camera, come on camera just before you start speaking.

I recognize that people have mixed feelings about being on camera in online meetings. For one thing, the internet bandwidth required to carry live images is one of the things that makes Zoom a memory hog. For another, even if you are okay with people seeing you on camera, you may not be comfortable with people seeing your home, your family or the people you live with on camera.

However, I do ask you to consider this: If this were 2019, before the pandemic, and you

were taking this course in the Henry George School's auditorium on East 38th Street in New York City, you would expect for the instructor and all your fellow students to be able to see your face at all times. For me, as the instructor, it would be essential to see your face for me to determine whether you were understanding the course material or not. This is true online as well. So I do ask that you come on camera when you are speaking. That includes when I direct a question to you in particular, as I will at some point during the course. Consider using a Zoom background if you are uncomfortable with the camera picking up details of your actual location.

- Chat window

Feel free to post in the chat window, but ...

- Bear in mind that I or other participants may not be constantly monitoring the chat window and so might miss something you post there.
- What's posted in the chat window generally disappears when the Zoom session closes. So any information, such as a web link, which you want to be retained should be posted in the Slack channel, not just in Chat.

- Participants window

In much of this course I, as instructor, will be calling upon you to speak in response to the posted discussion questions. I will be calling on everyone in this manner at least once in the course. That means that when you have a question or want to lead the discussion in a certain direction, you should raise your hand in the Participants window in Zoom. We will try to call upon people in the order in which they raise their hands in the Participants window, but we also reserve the right to not call upon people if they've already spoken up once and other people have not.

Slack

During the course I (as the instructor) may need to communicate with the students and you as the students are likely to want to communicate with each other. In the past I've created mailing lists via Google Groups for this purpose, but few people have signed up.

So for this course we'll try something different: the web application known as *Slack*. Many workplaces now use Slack for chatrooms. I myself have mixed feelings about it because,

like Zoom, it can be a memory hog. But a lot of people like it and are familiar with it, so we'll give it a try. Once you've installed Slack on your computer or phone (or both), you should go to this URL: <https://henrygeorgesc-mb03719.slack.com> and join the **do-deficits-really-matter** channel.

Each week's discussion questions will be posted in the Slack channel. You can discuss the answers to those questions with one another in the channel. You can leave questions for me in the channel as well. During the course I will pop into the channel several times a week and try to answer any questions you post there.

I recommend that if you have questions about the course material between our weekly sessions that you post them in the **do-deficits-really-matter** channel inside the **HENRY GEORGE SCHOOL OF SOCIAL SCIENCE** Slack app. I ask that you *not* send me Direct Messages in the Slack app unless you need some degree of confidentiality.

Internet

Each week's discussion questions will also be posted on a website which Adam Rice and I started for our HGSSS course in 2019. The URL for this course will be <http://lerner-minsky.org/resources/hgsss/202204-course/>. Each week's discussion questions will be found in its own file in PDF format. So, for example, the discussion questions for Week 1 (which we will discuss later this evening), will be found at <http://lerner-minsky.org/resources/hgsss/202204-course/week1-questions.pdf>.

In addition, I hope to post a PDF of my introductory comments for each week's session in the same directory as the discussion questions, but I'll only post those PDFs after our weekly session.

Expectations of Students

If by now you have come to the conclusion that we are setting higher expectations for you as a student than you have encountered in previous courses -- whether at Henry George or elsewhere -- your conclusion is correct.

Granted, there's no final exam, no essay requirement and no academic credit is being

awarded. But by asking you to complete a reading assignment and think about discussion questions in advance of each session, we are encouraging you to be a more active participant in this class than in those we've offered in the past.

Our hope is that at the end of the six sessions you can give a coherent explanation of the basics of Modern Money Theory to someone in your family or at your workplace. While I hope you find the concepts put forth by MMT advocates convincing, what is more important is that even if you disagree with those concepts, you can present them accurately to another person like yourself.

By implication, if you come to this course and you've already made up your mind that "MMT is wrong," then you should probably go elsewhere. If at the end of the course you disagree with MMT but are able to correctly describe what MMT is about, then the course will have succeeded.

There may be times when you want a more traditional format. For example, you may want to hear somebody provide a lecture about MMT and run through a Powerpoint presentation during that lecture. You won't be getting that here, but you can get that by going to YouTube and entering the name "Stephanie Kelton" into the Search panel. I particularly recommend her "Angry Birds" video.

[Pause for questions about course format.]