



Modern Money Theory 1st Summer School in Poznań



Call for applications

8.09.2021-12.09.2021

Organizers:



HETERODOX



Fundacja
Lipińskiego

M M Modern Money Theory
T 1st Summer School
in Poznań



Venue

**Mostowa 10 Street,
Poznań**

The School is intended for economics students, PhD students, practitioners and early-career researchers interested in the Modern Monetary Theory. We provide an international learning environment for those interested in deepening their knowledge of the modern money: its origins, the fiscal-monetary nexus, the tax-driven theory of money, and the MMT-based policy proposals, such as Job Guarantee and Green New Deal. Over five days, participants will have an opportunity of attending lectures, presenting their findings and ideas, as well as discussing them with highly competent faculty. They will also take part in workshops and seminars that will improve their analytical skills.

The full programme and short description of topics can be found below.

Confirmed speakers:

- **Dirk Ehnts** (Technische Universität Chemnitz)
- **Sam Levey** (University of Missouri-Kansas City)
- **Eric Tymoigne** (Lewis & Clark College, Portland)
- **Alla Semonova** (State University of New York, Potsdam)
- **Zdravka Todorova** (Wright State University)
- **L. Randall Wray** (Levy Economics Institute)
- **Maurice Höfgen** (Research Associate of Fabio De Masi)
- **Iwo Augustyński** (Wrocław University of Economics and Business)

The School is organized by Edward Lipiński Foundation for Promoting Economic Pluralism in cooperation with Heterodox Publishing House. Due to severe pandemic situation in the United States, the School is a hybrid event that features in-person lectures & workshops and online lectures.

For more information, please contact the Organizing Committee through email:

- m.czachor@fundacjalipinskiego.pl,
- g.bachurewicz@fundacjalipinskiego.pl,
- f.lubinski@fundacjalipinskiego.pl
- or Facebook.

Application deadline: 21 July 2021

Acceptance decision: 31 July 2021

Application form can be found [here](#) and should be sent to:

m.czachor@fundacjalipinskiego.pl

School fee: 110 EUR / 500 PLN

The fee covers lunches, coffee breaks and the special event „MMT for political activists”.

Deadline for payment: 8 August 2021

The Organizing Committee:

- Marcin Czachor (Heterodox Publishing House and Edward Lipiński Foundation)
- Gracjan R. Bachurewicz (University of Warsaw and Edward Lipiński Foundation)
- Filip Lubiński (University of Warsaw and Edward Lipiński Foundation)



Modern Money Theory 1st Summer School in Poznań

Hour/Day	08/09 Wednesday	09/09 Thursday	10/09 Friday	11/09 Saturday	12/09 Sunday
9:15 - 10:45	Welcome address by Organizers LECTURE Dirk Ehnts MMT: Introduction to money and balance sheets	LECTURE Sam Levey Modeling Monopoly Money	LECTURE Sam Levey Modern Money and the War Treasury	WORKSHOP Maurice Höfgen MMT and the public purpose: a case for job guarantee	LECTURE Iwo Augustyński Taxes - superiority or Achilles heel of MMT?
10:45 - 11:15	Coffee break				
11:15 - 13:15	LECTURE Dirk Ehnts MMT: A macroeconomic model and economic policy	WORKSHOP	WORKSHOP	WORKSHOP	WORKSHOP
13:15 - 15:00	Lunch break				
15:00 - 16:00	Coffee break				
16:00 - 17:30	ONLINE LECTURE Zdravka Todorova Money and the Economy as Social Provisioning		ONLINE LECTURE Alla Semenova On the Nature and Origins of Money: The Chartalist – Metallist Debate and Historical Evidence	ONLINE LECTURE Randall Wray Taxes Drive Money, Functional Finance, and Minsky's Approach to Money	Closing ceremony, farewell coffee
17:00-18:30		ONLINE LECTURE Eric Tymoigne Modern Central Bank and Treasury Debt operations: The General Principles			
	Special events / Socializing				
19:00 - 21:00				Patricia Pino, Christian Reilly MMT for political activists	



Dirk Ehnts

WORKSHOP

MMT: Introduction to money and balance sheets

What is Modern Money Theory? This lecture introduces the major methodological instrument of MMT: balance sheets! What are they about? Do they contain „money“? What is money? Why is it so easy to produce and so hard to get accepted? You will find out about this, about the role of the State as the creator of money and households and firms as users of money and about the link between monetary wealth and debts.

LECTURE

MMT: A macroeconomic model and economic policy

Central and Eastern Europe has become well established as a region of dependent market economies, in which development is based on providing cheap and high-skilled labour to foreign capital. In recent years, this growth model has been questioned on both economic and political grounds, and many arguments have been proposed in favour of its change. However, is the change really achievable, when the global context is taken into account? What are the barriers for moving out of economic dependency and what is the role of national and international political economies? The seminar will include team-work on building economic scenarios as well as an open discussion, based on a provided lecture and statistical data.



Eric Tymoigne

ONLINE LECTURE

Modern Central Bank and Treasury Debt operations: The General Principles

This lecture studies the implications of monetary sovereignty for the role of the central bank and Treasury in the implementation of fiscal and monetary policies. Some theoretical implications in terms of the consolidation of the central bank and Treasury are drawn from a detailed institutional analysis. The lecture shows that the theoretical simplification provided by consolidating the government does not lead to a loss of generality. Similar conclusions can be reached if the central bank and Treasury are separated as long as monetary sovereignty prevails. Tax revenues do not finance government spending, the auctions of treasuries are monetary policy operations, fiscal and/or monetary injections of reserves logically must precede tax revenues and the auctions of treasuries.



Zdravka Todorova

ONLINE LECTURE

Money and the Economy as Social Provisioning

The lecture discusses the economy as social provisioning comprised by diverse processes beyond market exchange. This understanding of the economy is connected to a relational view of money and to updated principles of functional finance. The lecture draws on multiple approaches in heterodox economics and presents new developments since my initial effort (Edward Elgar 2009) to build bridges among Feminist, Institutional, and Post Keynesian approaches (including neo-chartalism, functional finance, and job guarantee - elements of MMT).



L. Randall Wray

ONLINE LECTURE

Taxes Drive Money, Functional Finance, and Minsky's Approach to Money

This lecture will explore the foundations of Modern Money Theory in the work of Hyman Minsky. These include his early recognition of the sectoral balances approach to budget deficits, his belief that government-led expansions are more financially robust, his claim that abandoning the gold standard would remove the final barrier to pursuit of full employment, his advocacy of the role of government as employer of last resort, his nuanced position on Lerner's functional finance approach, his argument that taxes drive demand for the government's currency (and that debts to banks drive the demand for bank money), his early adoption of the endogenous money approach, and his recognition of the role the dollar would play in the post-Bretton Woods international monetary system.

Following Minsky, Modern Money Theory integrates the state money approach of Knapp with the credit money approach. Rather than posing these as rivals, MMT argues that both follow the fundamental law of credit formulated by Innes: the issuer of a liability must accept it back in payment. This is the universal principle of "redemption". While throughout the history of economic thought many economists have wrongly focused on redemption of obligations for precious metal (or, later, for foreign currency), such promises are neither necessary nor universal. Rather, the promise to redeem a currency for metal or foreign currency is the exception and unnecessarily reduces domestic policy space.



Sam Levey

LECTURE

Modern Money and the War Treasury

The economic worldview held by the United States Treasury Department during World War II can be gleaned from historical sources. We analyze the Treasury's view of taxation, bond sales, and interest rates, and consider whether and in what ways this worldview is compatible with Modern Monetary Theory. We find that, in most regards, the two align closely, the differences being primarily attributable to the peculiarities of war finance. Finding a less clear view of national debt, an interpretation is offered based on Treasury's statements. We also offer evidence that this view had a foothold in the era's news outlets.

LECTURE

Modeling Monopoly Money

Many of the claims put forth by Modern Monetary Theory center around the state's monopoly over its own currency. In this lecture, I interrogate the plausibility of two of these claims, 1) MMT's theory of the price level, that the price level is a function of prices paid by government when it spends, and 2) the claim that the cause of deficient effective demand is the state's failure to supply government liabilities so as to meet the demand for net financial assets. I do so by building a mathematical model of "monopoly money" which is capable of producing these two outcomes.



Alla Semenova

ONLINE LECTURE

On the Nature and Origins of Money: The Chartalist - Metallist Debate and Historical Evidence

What is money? Why is it accepted? What determines its value? How does money come into being? What is the role of the state within a monetary system? This lecture explores the Chartalist perspective on money and its main distinctions from the Metallist approach. Implications for the conduct of fiscal policy from the MMT-perspective are drawn.

This lecture applies the Chartalist-Metallist debate on the nature and origins of money to the context of Ancient Greece where coinage emerged in the 7th - 6th centuries BC. Which economic, political and social forces gave rise to early Greek coinage? Which forms of money preceded coinage and how did they function? What was the role of the state and commerce in the origins and evolution of money?



Maurice Höfgen

LECTURE

MMT and the public purpose: a case for job guarantee

The MMT lens allows us to analyze the processes at play in the economy in a superior way. It puts the monetary arrangements and the role of the government as issuer of the currency at the very center of its analysis and, hence, puts policy options on the table that orthodox thinking does not consider viable. Recognizing that economic policy should be designed to serve the public purpose and not to meet any particular financial outcome - such as a balanced fiscal position -, this session aims to make the argument for an MMT-informed approach to fiscal policy. In this regard, we'll discuss the concept of public purpose, how it is linked to the monetary arrangements in an economy and make the case for a federal job guarantee.



Iwo Augustyński

LECTURE

Taxes - superiority or Achilles heel of MMT

Modern Monetary Theory is controversial mostly due to its understanding of taxes. Ideas that state spends first and taxes afterwards or that the main purpose of taxes is to control inflation seem revolutionary for the majority of economists and politicians. It is also probably the most important difference between MMT and heterodox economists. The aim of the lecture is to familiarize participants with the MMT tax theory. Then we will discuss its strengths and weaknesses and chances for its implementation. Hopefully we conclude with some valuable insights where the MMT tax revolution could start. Participants will be asked to prepare a short presentation about perspectives of the MMT tax reform in their countries.

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