

# credit and crisis

Fall 2023

[This is an abridged syllabus, with course description and a reading list.]

## Class Information

Instructor | Dr. Erin Torkelson

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Student Hours | Mondays 1:00 – 3:00pm

Time | Tuesdays & Thursdays 9:15 – 10:30am

Place | Geography West 319

## Class Description

In 2018, a report by Oxfam International concluded that: *the 26 richest individuals in the world hold as much wealth as 3.8 billion people (half of the global population)*. This fact raises all sorts of critical questions: where has the wealth of those 26 people come from? What is the relationship between their extreme wealth and the poverty of 3.8 billion people? In this course, we look to the global financial system for answers to these questions.

**Histories of Finance:** In part one of this course, we think about “contemporary” stories of the financial system as told by scholars of financialization from the US and Europe. Such stories seek to explain how finance capital (rather than production) has become the contemporary engine of economic growth and describe how our current economy is no longer primarily powered by steam or oil but financial tools and services. Importantly, these are not the only stories of the rise of finance capital. We then turn to a longer, and more *global* histories to swerve Anglo-American visions of finance capital. We engage histories of imperialism and colonialism; the Bretton Woods agreements; the Sovereign Debt Crisis; the Dollar-Wall Street standard; and the 2008 financial crisis. In so doing, we explore how capitalism tends toward crisis and how finance capital has often provided solutions to vulnerabilities within capitalism at a global scale.

**Presents of Finance:** In part two of this course, we explore how finance capital is working in the contemporary moment. We consider how finance has primed countries, cities, populations, and individuals to become new markets for so-called “subprime” credit. We examine how credit creates financial subjectivities; divides populations with risk-pricing; reproduces racialized and gendered difference; and diminishes defaults through technology. We show how different parts of government – police, courts, welfare systems – work to secure accumulation by finance capital. Topics vary from week to week and week but will include slavery and indebted freedoms; racialized housing and subprime mortgages; carceral debts and bail bonds; microfinance and poverty capital; climate disasters and insurance logics; payday lending, student debt, medical debt, and credit card debt. In each week, we will see how each of these credit-based “solutions” solve a crisis in the present but create the seeds of crises in the future.

**Futures of Finance:** In part three of this course, we consider resistance to finance capital, credit and debt on a global scale. We examine the successful organising strategies of social movements – like Occupy, Strike Debt, Jubilee Global, and National Bailout – that call for widespread debt forgiveness. We consider how they are gaining traction worldwide, and we ask what other sorts of worlds are imaginable and realizable?

## Reading List

### Week 1: Introduction

- Listen to *This American Life's* "A Giant Pool of Money."

### Week 2: Credit and Crisis

- Karl Marx. 1992[1867]. Selections on "Interest Bearing Capital" and "Fictitious Capital." In *Capital Vol 3. Part 5*. Penguin.
- David Harvey. 2003. Selections on "Accumulation by Dispossession" and "Capitalism's Tendency Toward Crises." In *The New Imperialism*. Verso books.
- Roitman, Janet. 2014. "What is at Stake?" In *Anti-Crisis*, 1-13. Duke University Press.

### Week 3: Money, Credit, Debt

- David Graeber. 2012. "Introduction." In *Debt: The first 5000 years*. Penguin.
- Hannah Chadeayne Appel. 2014. "Finance is just another word for other people's debts: An interview with David Graeber." *Radical History Review* 2014.118: 159-173.
- Maurizio Lazzarato. 2012. "Understanding Debt as the Basis for Social Life" in *The Making of the Indebted Man: An Essay on the Neoliberal Condition*. Semiotext(e).

### Week 4: Thinking Finance from the North

- David Harvey. 1990. "Part II: The Political-Economic Transformation of Late Twentieth-Century Capitalism." In *The Condition of Postmodernity*. Blackwell.
- Greta Krippner. 2011. Selections. In *Capitalizing on Crisis. The Political Origins of the Rise of Finance*. Oxford University Press.

### Week 5: Thinking Finance from the South

- Baucom, Ian. 2005. Selections. In *Specters of the Atlantic: Finance Capital, Slavery, and the Philosophy of History*. Duke University Press.
- Trouillot, Michel-Rolph. 2015. Selections. In *Silencing the Past: Power and the Production of History*. Beacon Press.
- **Supplementary:** Peter James Hudson. 2018. "Introduction." *Bankers & Empire: How Wall Street Colonized the Caribbean*, University of Chicago Press.

### Week 6: Finance Capital and Imperialism

- Eduardo Galeano. 1971. "Chapter 1: Lust for Silver, Lust for Gold." In *Open Veins of Latin America: Five Centuries of Pillage*. Monthly Review Press.
- John Hobson. 1967 [1902]). "Chapters I, IV, VI." In *Imperialism: A Study*. University of Michigan Press.
- Vladimir Ilyich Lenin. 2017 [1917]. Selections. In *Imperialism: The Highest Stage of Capitalism*. Haymarket Books.
- **Supplementary:** Jean-François Bayart and Stephen Ellis. 2000. "Africa in the World: A History of Extraversion." *African Affairs* 99(395): 217-267.

### Week 7: Anti-colonialism, Necolonialism and Structural Adjustment Programs

- Michael Watts. 1991. "Visions of Excess: African Development in an Age of Market Idolatry." *Transition* 51: 124-141.
- José Antonio Ocampo. 2015. "The Latin American Debt Crisis in Historical Perspective" in Joseph Stiglitz and Daniel Heymann eds. *Life After Debt: The Origins and Resolutions of Debt Crisis*. Palgrave Macmillan.
- Kwame Nkrumah. 1965. "Neo-colonialism: The last stage of imperialism." Available at: <https://politicalanthro.files.wordpress.com/2010/08/nkrumah.pdf>

### **Week 8: The 1970s, the Dollar Wall Street Regime, and the Global Gamble**

- Brenner, Robert. 2003. "Introduction." In *The boom and the bubble: The US in the world economy*. Verso.
- Peter Gowan 1999. "Introduction and Chapter 1." In *The Global Gamble: Washington's Faustian Bid for World Dominance*. Verso.

### **Week 9: Redlining, Subprime Mortgages, and Black Dispossession**

- Keeanga-Yamahtta Taylor. 2019. *Race for Profit: How Banks and the Real Estate Industry Undermined Black Homeownership*. University of North Carolina Press.
- Jeff Crump, Kathe Newman, Eric S. Belsky, Phil Ashton, David H. Kaplan, Daniel J. Hammel, and Elvin Wyly. 2008. "Cities Destroyed (Again) for cash: Forum on the US foreclosure crisis." *Urban Geography* 29(8): 745-784.
- Ta-Nehisi Coates. 2014. "The Case for Reparations." *The Atlantic* 313(5): 54-71.
- **Supplementary:** Paula Chakravartty and Denise Ferreira Da Silva. 2012. Accumulation, dispossession, and debt: The racial logic of global capitalism—an introduction. *American Quarterly*, 64(3), 361-385.

### **Week 10: Carceral Capitalism, Bail Bonds, and Abolition Geographies**

- Jodi Rios. 2020. Selections. In *Black Lives and Spatial Matters: Policing Blackness and Practicing Freedom in Suburban St. Louis*. Cornell University Press.
- Jackie Wang. 2018. "Racialized Accumulation by Dispossession in the Age of Finance Capital: Notes on the Debt Economy." In *Carceral Capitalism*. Semiotext(e).
- Mariame Kaba. 2021. Selections on Abolition. In *We do this' til we free us: Abolitionist Organizing and Transforming Justice*. Haymarket Books.
- **Supplementary:** Corey Kilgannon. 2022. "They were Unjustly Imprisoned. Now they're Profit Centers." *New York Times*. Nov 27. <https://www.nytimes.com/2022/11/27/nyregion/high-interest-loans-exonerated-prisoners.html>

### **Week 11: Microfinance, Cash Transfers, and Financial Inclusion**

- Ananya Roy. 2010. "Introduction." In *Poverty capital: Microfinance and the making of development*. Routledge.
- Daniela Gabor and Sally Brooks. 2017. "The digital revolution in financial inclusion: international development in the fintech era." *New political economy* 22(4): 423-436.
- Erin Torkelson. 2021. "Sophia's choice: Debt, social welfare, and racial finance capitalism." *Environment and Planning D: Society and Space* 39(1): 67-84.

### **Week 12: Migrant Debt, Data Derivatives, and the Calculus of Risk**

- Juan De Lara. 2022. Race, Algorithms, and the Work of Border Enforcement. *Information and Culture*. June 16.
- Louise Amoore. 2011. "Data derivatives: On the Emergence of a Security Risk Calculus for our Times." *Theory, Culture & Society* 28(6): 24-43.

### **Week 13: Climate Crisis, Insurance Logics, and "Green" Structural Adjustment**

- Stephen Collier. 2014. "Neoliberalism and natural disaster: Insurance as political technology of catastrophe." *Journal of Cultural Economy* 7(3): 273-290.
- Patrick Bigger and Sophie Webber. 2021. "Green structural adjustment in the World Bank's resilient city." *Annals of the American Association of Geographers* 111(1): 36-51.
- Yarimar Bonilla and Marisol LeBrón, eds. 2019. Selections. In *Aftershocks of disaster: Puerto Rico before and after the storm*. Haymarket Books.

### **Week 14: Student Debt, Graduate Labor Strikes, and Reclaiming the Future**

- Cottom, Tressie McMillan. 2017. Selections. In *Lower ed: The troubling rise of for-profit colleges in the new economy*. The New Press.
- Stefano Harney and Fred Moten. 2013. "Bad Debt." In *The Undercommons: Fugitive Planning and Black Study*. Autonomedia.
- Robert Meister. 2012. "They Pledged Your Tuition: An Open Letter to UC Students." The Council of UC Faculty Associations.

### **Week 15: Debt Jubilees...and Why We Need One Now!**

- Sankara, Thomas. 1987. "A United Front Against Debt." Available at: <https://progressive.international/wire/2021-02-26-thomas-sankara-a-united-front-against-debt/en>
- Strike Debt 2014. Selections. In *Debt Resisters' Operations Manual*. PM Press.
- Olúfemi O. Táíwò. 2022. Selections. In *Reconsidering Reparations*. Oxford University Press.

### **Week 16: RRR Week**

### **Week 17: Final Projects Due**