

## SELECTED PUBLICATIONS BY HERMAN MARK SCHWARTZ

2009. *Subprime Nation: American Power, Global Finance, and the Housing Bubble*. Cornell University Press.

2022. "Global Secular Stagnation and the Rise of Intellectual Property Monopoly." *Review of International Political Economy* 29 (5): 1448–76.

2022. "Mo' Patents, Mo' Problems: Corporate Strategy, Structure, and Profitability in America's Political Economy." In *American Political Economy: Politics Markets, and Power*, edited by Alexander Hertel-Fernandez, Jacob Hacker, Paul Pierson, and Kathleen Thelen, 247–69. Cambridge University Press.

The lectures take place at 5 pm in the conference room at the MPIfG (end 18:30).

Each year, the MPIfG invites a distinguished scholar in the field of political science, economics, or sociology to spend three to six months at the Institute. Scholars in Residence are known for their outstanding academic achievements and pursue a particular research project that coincides with the research conducted at the MPIfG.

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**Herman Mark Schwartz**  
**TRIFFIN RELOADED**  
The Matrix of Contradictions around  
the Dollar's Global Dominance

MPIfG Scholar in Residence Lectures  
2023

## TRIFFIN RELOADED

### The Matrix of Contradictions around the Dollar's Global Dominance

Why has the US dollar persisted as the central currency in world markets despite persistent current account deficits and a secularly rising net foreign debt? All moneys exist in a hierarchy with state money (outside money) at the top. The dollar sits at the top of the global monetary hierarchy, operating as the core currency for a global economic empire centered on the US economy. This central role generates six contradictions or antinomies that threaten this central pillar of US global power. Despite these tensions, no plausible alternatives exist, not least because all plausible rivals rely on the US to provide extra demand and thus growth in the global economy.



TUESDAY, JUNE 6

#### Money(s) and Empire: The US Dollar as Global Quasi-State Money

Money is a creature of the state, even at the global level. The hierarchy of global moneys is embedded in a transnational empire centered on the United States. This lecture counterposes metallist and chartalist views on money, as manifested through the "North American" and "New European" approaches, and argues that all money is ultimately credit. It shows how the dollar serves as global quasi-state money and thus why US current account deficits signify power rather than weakness (the reverse is true for most other economies). The dollar's role as global quasi-state money enables these deficits and de facto positions the Federal Reserve bank as the world's central bank.

TUESDAY, JUNE 20

#### Contradictions and Dynamics of Global Quasi-State Money: Triffin Reloaded

Monetary systems are inherently unstable because the nominal value of assets fluctuates but the nominal value of debt does not and banks have an incentive to expand credit past the point where debtors can service their debt. The global monetary system is even more unstable because global use of a national currency for denominating credit/debt generates additional contradictions. This lecture walks through six contradictions or antinomies, expanding on and updating the original contradiction Robert Triffin identified between adequate trade liquidity and confidence in the redemption of dollars for gold. This lecture also contains a brief contrast of how these contradictions operated differently in the sterling and dollar eras.

**Herman Mark Schwartz** is a professor in the Department of Politics and the Frank Batten School of Leadership and Public Policy at the University of Virginia, Charlottesville, and the MPIfG Scholar in Residence 2023. He has written three books on economic development, globalization, and the geopolitics of the subprime mortgage crisis. He is also co-editor of four books on Denmark's welfare state, employment policy, the politics of housing finance, and the global financial crisis. He has received, among others, four Fulbright fellowships, a Mellon fellowship, an American Council of Learned Societies fellowship, and a Bosch fellowship from the American Academy Berlin.

TUESDAY, JULY 4

#### The Dollar and Its (Lack of) Rivals: A Balance Sheet of Imperial Monetary Power

Dollar centrality ultimately rests on differential growth favoring the US economy relative to rivals, and on domestic constellations of political power in potential rivals that inhibit use of their currencies as global quasi-state money. This last lecture considers challenges to the US dollar from the yen, euro, and renminbi, as well as the possibility of a simple collapse of the global monetary system into competing trade and monetary blocs.

#### Publications by Herman Mark Schwartz recommended for preparatory reading:

2019. "American Hegemony: Intellectual Property Rights, Money, and Infrastructural Power." *Review of International Political Economy* 26 (3): 490–519.

2018. "International Money after the Crisis: What Do We Know?" In *Critical Junctures in Mobile Capital*, edited by Jocelyn Pixley, 131–55. Cambridge University Press.

2021. "Intellectual Property Rights and the Decay of American Hegemony. In A Hegemonic Transition?" In *Global Economic and Security Orders in the Age of Trump*, edited by Welf Werner and Florian Böller, Chapter 6. Palgrave.

#### All pdfs downloadable via

<https://uva.theopenscholar.com/hermanschwartz>

His current research has two related streams. The first looks at the causes and consequences of the changes in corporate strategy and structure that have moved us from Fordist economies to intellectual property monopoly capitalism. The second looks at the role of the US dollar as global quasi-state money or world money, in order to assess its durability. The disproportionate share of global profits going to US firms with monopolies based in intellectual property and the way in which these firms shape global commodity chains is the functional link between the two projects.

#### Weitere Informationen im Internet unter:

[www.mpifg.de](http://www.mpifg.de) > Institut > Scholar in Residence