
POLSCI 565

Spring 2019

Political Economy of Financial Crises

Th 10:00am–12:00pm

<https://mycanvas.wustl.edu/>

Room: Seigle 272

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DESCRIPTION: This course will survey the international political economy (IPE) literature as a foundation for analyzing the origins of, and responses to financial crises. The recent backlash against globalization provoked by populist movements in advanced economies is not a new phenomenon. Populist movements arose following the Long Depression in the late 19th century and the Great Depression in the 20th century, which provide historical parallels for the causes and responses to the 2007-2008 global financial crisis. However, the global economy is more intertwined than before, with capital moving freely between countries and goods produced along interconnected supply chains. Utilizing historical, analytical, and theoretical literature, we will explore the IPE field with the intention of understanding the causes and distributional effects of financial crises, as well as the political outcomes that follow. Students will submit a final term paper that analyzes the political ramifications (broadly defined) of a financial crisis of their choosing.

REQUIREMENTS: The course requirements consist of a final term paper (60% of final grade) and active participation in class (40%). You have to complete all requirements in order to receive a passing grade for the course.

Academic Integrity. University standards on plagiarism apply to all work. Please familiarize yourself with these regulations.

READINGS: The course readings will be drawn from scholarly articles and a few academic books. All readings (not from the assigned books) will be made available on the course webpage or links will be available on the syllabus. The following books are available for purchase online (prices from Amazon.com) or borrow from the university library:

- Robert O Keohane and Joseph S Nye. *Power and interdependence*. Pearson, 4th edition, 2012. First published in 1977. (\$55.57)
- Mark Blyth. *Austerity: The History of a Dangerous Idea*. Oxford University Press, 2013. (\$17.19)
- Stefanie Walter. *Financial crises and the politics of macroeconomic adjustments*. Cambridge University Press, 2013. (\$31.99; FREE, electronic version available through WashU library)

- Charles P Kindleberger and Robert Aliber. *Manias, panics, and crashes: A history of financial crises*. Palgrave Macmillan, 7th edition, 2015. (\$29.13; 6th edition okay.)
- Richard Baldwin. *The Great Convergence*. Harvard University Press, 2016. (\$16.95)
- Adam Tooze. *Crashed: How a decade of financial crises changed the world*. New York: Viking, 2018. (\$14.81)

SCHEDULE: The weekly schedule is subject to change.

Week 1: (17-Jan-19) Introduction to studying IPE

- Peter J Katzenstein, Robert O Keohane, and Stephen D Krasner. International organization and the study of world politics. *International Organization*, 52(4):645–685, 1998.
- Thomas Oatley. The reductionist gamble: Open economy politics in the global economy. *International Organization*, 65(2):311–341, 2011.
- Daniel W Drezner and Kathleen R McNamara. International political economy, global financial orders and the 2008 financial crisis. *Perspectives on Politics*, 11(1):155–166, 2013.
- Mark Blyth and Matthias Matthijs. Black swans, lame ducks, and the mystery of IPE’s missing macroeconomy. *Review of international political economy*, 24(2):203–231, 2017.

Week 2: (24-Jan-19) Globalization 1.0: International trade preferences using factor endowment models

- Elhanan Helpman. The structure of foreign trade. *Journal of Economic Perspectives*, 13(2):121–144, 1999
 - For this week, read pp. 121–124 only. We will discuss these canonical models of international trade in class.
 - For a tutorial on comparative advantage and the gains from trade, see the Khan Academy videos [here](#).
- Ronald Rogowski. Political cleavages and changing exposure to trade. *American Political Science Review*, 81(4):1121–1137, 1987.
- Jens Hainmueller and Michael J Hiscox. Learning to love globalization: Education and individual attitudes toward international trade. *International Organization*, 60(2):469–498, 2006.
- Edward D Mansfield and Diana C Mutz. Support for free trade: Self-interest, sociotropic politics, and out-group anxiety. *International Organization*, 63(3):425–457, 2009.
- Benjamin O Fordham and Katja B Kleinberg. How can economic interests influence support for free trade? *International Organization*, 66(2):311–328, 2012.

- Sungmin Rho and Michael Tomz. Why don't trade preferences reflect economic self-interest? *International Organization*, 71(S1):S85–S108, 2017.

Selected Further Reading:

- Gene M Grossman and Elhanan Helpman. Protection for sale. *American Economic Review*, 84(4):833–850, 1994.
- Wolfgang Mayer. Endogenous tariff formation. *The American Economic Review*, 74(5):970–985, 1984.
- David Epstein and Sharyn O'Halloran. The partisan paradox and the US tariff, 1877–1934. *International Organization*, 50(2):301–324, 1996.
- Anne O Krueger. Trade policy and economic development: How we learn. *The American Economic Review*, 87(1):0_6, 1997.
- Judith Goldstein. Ideas, institutions, and American trade policy. *International Organization*, 42(1):179–217, 1988.
- Pinelopi Koujianou Goldberg and Giovanni Maggi. Protection for sale: An empirical investigation. *American Economic Review*, 89(5):1135–1155, 1999.
- Devashish Mitra. Endogenous lobby formation and endogenous protection: a long-run model of trade policy determination. *American Economic Review*, pages 1116–1134, 1999.
- Robert E Baldwin and Christopher S Magee. Is trade policy for sale? Congressional voting on recent trade bills. *Public Choice*, 105(1-2):79–101, 2000.
- Kishore Gawande and Usree Bandyopadhyay. Is protection for sale? evidence on the grossman-helpman theory of endogenous protection. *The Review of Economics and Statistics*, 82(1):139–152, 2000.
- Kevin H O'Rourke, Richard Sinnott, J David Richardson, and Dani Rodrik. The determinants of individual trade policy preferences: International survey evidence [with comments and discussion]. In *Brookings trade forum*, pages 157–206. JSTOR, 2001.
- Kenneth F Scheve and Matthew J Slaughter. What determines individual trade-policy preferences? *Journal of International Economics*, 54(2):267–292, 2001.
- Michael J Hiscox. Commerce, coalitions, and factor mobility: Evidence from congressional votes on trade legislation. *American Political Science Review*, 96(3):593–608, 2002.
- Eugene Beaulieu and Christopher Magee. Four simple tests of campaign contributions and trade policy preferences. *Economics & Politics*, 16(2):163–187, 2004.
- Helen V Milner and Benjamin Judkins. Partisanship, trade policy, and globalization: Is there a left–right divide on trade policy? *International Studies Quarterly*, 48(1):95–119, 2004.
- Pushan Dutt and Devashish Mitra. Political ideology and endogenous trade policy: an empirical investigation. *The Review of Economics and Statistics*, 87(1):59–72, 2005.

- Jude C Hays, Sean D Ehrlich, and Clint Peinhardt. Government spending and public support for trade in the OECD: An empirical test of the embedded liberalism thesis. *International Organization*, 59(2):473–494, 2005.
- Anna Maria Mayda and Dani Rodrik. Why are some people (and countries) more protectionist than others? *European Economic Review*, 49(6):1393–1430, 2005.
- Ina C Jäkel and Marcel Smolka. Individual attitudes towards trade: Stolper-samuelson revisited. *Open Economies Review*, 24(4):731–761, 2013.
- Kishore Gawande, Pravin Krishna, and Marcelo Olarreaga. What governments maximize and why: The view from trade. *International Organization*, 63(3):491–532, 2009.
- Alexandra Guisinger. Determining trade policy: Do voters hold politicians accountable? *International Organization*, 63(3):533–557, 2009.
- Bruce A Blonigen. Revisiting the evidence on trade policy preferences. *Journal of International Economics*, 85(1):129–135, 2011.
- Yotam Margalit. Costly jobs: Trade-related layoffs, government compensation, and voting in US elections. *American Political Science Review*, 105(1):166–188, 2011.
- Helen V Milner and Dustin H Tingley. Who supports global economic engagement? The sources of preferences in American foreign economic policy. *International Organization*, 65(1):37–68, 2011.
- Matilde Bombardini and Francesco Trebbi. Competition and political organization: Together or alone in lobbying for trade policy? *Journal of International Economics*, 87(1):18–26, 2012.
- Xiaobo Lü, Kenneth Scheve, and Matthew J Slaughter. Inequity aversion and the international distribution of trade protection. *American Journal of Political Science*, 56(3):638–654, 2012.

Week 3: (31-Jan-19) Globalization 2.0: Intra-industry trade, heterogenous firms, and the fragmentation of production

- Richard Baldwin. *The Great Convergence*. Harvard University Press, 2016.

Selected Further Reading:

- Elhanan Helpman. The structure of foreign trade. *Journal of Economic Perspectives*, 13(2):121–144, 1999.
- Marc J Melitz and Gianmarco Ottaviano. Market size, trade, and productivity. *The review of economic studies*, 75(1):295–316, 2008.
- Nils Gudat and Ryan Weldzius. The (anti-)competitive effects of trade liberalization in North America. 2016. Working Paper.
- Andrew B Bernard, J Bradford Jensen, Stephen J Redding, and Peter K Schott. Firms in international trade. *The Journal of Economic Perspectives*, 21(3):105–130, 2007.

Week 4: (7-Feb-19) The politics of Globalization 2.0

- In Song Kim. Political cleavages within industry: firm-level lobbying for trade liberalization. *American Political Science Review*, 111(1):1–20, 2017.
- Leslie Johns and Rachel L Wellhausen. Under one roof: Supply chains and the protection of foreign investment. *American Political Science Review*, 110(1):31–51, 2016.
- Leonardo Baccini, Pablo M Pinto, and Stephen Weymouth. The distributional consequences of preferential trade liberalization: firm-level evidence. *International Organization*, 71(2):373–395, 2017.
- Iain Osgood, Dustin Tingley, Thomas Bernauer, In Song Kim, Helen V Milner, and Gabriele Spilker. The charmed life of superstar exporters: Survey evidence on firms and trade policy. *The Journal of Politics*, 79(1):133–152, 2017.
- Judith L Goldstein, Douglas Rivers, and Michael Tomz. Institutions in international relations: Understanding the effects of the GATT and the WTO on world trade. *International Organization*, 61(1):37–67, 2007.
 - Note that we are devoting sparse attention to the literature on international institutions and international trade due to course time constraints. Some of this is covered in the readings from Weeks 3 and 4; however, this Goldstein et al. article nicely encapsulates a lot of what the political science literature says. I will review some of the literature found below during our class meeting.

Selected Further Reading (new-new trade theory):

- Helen V Milner and Dustin H Tingley. Who supports global economic engagement? The sources of preferences in American foreign economic policy. *International Organization*, 65(1):37–68, 2011.
- Richard Baldwin and Javier Lopez-Gonzalez. Supply-chain trade: A portrait of global patterns and several testable hypotheses. *The World Economy*, 38(11):1682–1721, 2015.
- Emily Blanchard and Xenia Matschke. US multinationals and preferential market access. *Review of Economics and Statistics*, 97(4):839–854, 2015.
- J Bradford Jensen, Dennis P Quinn, and Stephen Weymouth. The influence of firm global supply chains and foreign currency undervaluations on US trade disputes. *International Organization*, 69(4):913–947, 2015.
- David H Autor, David Dorn, and Gordon H Hanson. The china shock: Learning from labor-market adjustment to large changes in trade. *Annual Review of Economics*, 8:205–240, 2016.
- Alonso de Gortari and Pol Antras. On the geography of global value chains. 2016. Society for Economic Dynamics.
- Mary Anne Madeira. New trade, new politics: intra-industry trade and domestic political coalitions. *Review of International Political Economy*, 23(4):677–711, 2016.

- Iain Osgood. Differentiated products, divided industries: Firm preferences over trade liberalization. *Economics & Politics*, 28(2):161–180, 2016.
- Pablo M Pinto and Stephen Weymouth. Partisan cycles in offshore outsourcing: Evidence from US imports. *Economics & Politics*, 28(3):233–261, 2016.
- Stephen Weymouth. Service firms in the politics of US trade policy. *International studies quarterly*, 2016.
- Leonardo Baccini, Iain Osgood, and Stephen Weymouth. The service economy: Understanding sectoral differences in patterns of lobbying for trade in the United States. 2017.
- Timm Betz. Trading interests: domestic institutions, international negotiations, and the politics of trade. *The Journal of Politics*, 79(4):1237–1252, 2017.
- Emily J Blanchard, Chad P Bown, and Robert C Johnson. Global value chains and trade policy. Working paper, 2017.
- Iain Osgood. The breakdown of industrial opposition to trade: Firms, product variety, and reciprocal liberalization. *World Politics*, 69(1):184–231, 2017.
- Iain Osgood. Industrial fragmentation over trade: The role of variation in global engagement. *International Studies Quarterly*, 61(3):642–659, 2017.
- Michael Plouffe. Liberalization for sale: Heterogeneous firms and lobbying over FTAs. 2017. Working Paper.
- Iain Osgood. Globalizing the supply chain: Firm and industrial support for US trade agreements. *International Organization*, 72(2):455–484, 2018.

Selected Further Reading (domestic and international institutions):

- Ronald Rogowski. Trade and the variety of democratic institutions. *International Organization*, 41(2):203–223, 1987.
- James E Alt and Michael Gilligan. The political economy of trading states: Factor specificity, collective action problems and domestic political institutions. *Journal of Political Philosophy*, 2(2):165–192, 1994.
- Kyle Bagwell and Robert W Staiger. An economic theory of GATT. *American Economic Review*, 89(1):215–248, 1999.
- Edward D Mansfield, Helen V Milner, and B Peter Rosendorff. Why democracies cooperate more: Electoral control and international trade agreements. *International Organization*, 56(3):477–513, 2002.
- Helen V Milner and Keiko Kubota. Why the move to free trade? Democracy and trade policy in the developing countries. *International organization*, 59(1):107–143, 2005.
- Witold J Henisz and Edward D Mansfield. Votes and vetoes: The political determinants of commercial openness. *International Studies Quarterly*, 50(1):189–211, 2006.
- David Karol. Does constituency size affect elected officials’ trade policy preferences? *Journal of Politics*, 69(2):483–494, 2007.

- Michael Tomz, Judith L Goldstein, and Douglas Rivers. Do we really know that the WTO increases trade? comment. *The American Economic Review*, 97(5):2005–2018, 2007.
- Andrew K Rose. Do we really know that the WTO increases trade? reply. *The American Economic Review*, 97(5):2019–2025, 2007.
- Emily J Blanchard. What global fragmentation means for the WTO. *Economic Research and Statistics Division, WTO Working Paper ERSD-2014-03, February*, 5, 2014.
- David Dorn, Gordon Hanson, Kaveh Majlesi, et al. Importing political polarization? the electoral consequences of rising trade exposure. Technical report, National Bureau of Economic Research, 2016.
- David Autor, David Dorn, Gordon Hanson, and Kaveh Majlesi. A note on the effect of rising trade exposure on the 2016 presidential election. 2016. Mimeo, MIT.
- J Bradford Jensen, Dennis P Quinn, and Stephen Weymouth. Winners and losers in international trade: The effects on US presidential voting. *International Organization*, pages 1–35, 2017.

Week 5: (14-Feb-19) Globalization of capital: currency politics and the unholy trinity

- John Gerard Ruggie. International regimes, transactions, and change: embedded liberalism in the postwar economic order. *International organization*, 36(2):379–415, 1982.
- Jeffrey A Frieden. Invested interests: the politics of national economic policies in a world of global finance. *International Organization*, 45(4):425–451, 1991.
- William Roberts Clark and Mark Hallerberg. Mobile capital, domestic institutions, and electorally induced monetary and fiscal policy. *American Political Science Review*, 94(2):323–346, 2000.
- Benjamin J Cohen. The triad and the unholy trinity: problems of international monetary cooperation. In Jeffrey A. Frieden and David A. Lake, editors, *International Political Economy*, pages 245–256. Routledge, 4th edition, 2002.
- Maurice Obstfeld, Jay C Shambaugh, and Alan M Taylor. The trilemma in history: tradeoffs among exchange rates, monetary policies, and capital mobility. *The Review of Economics and Statistics*, 87(3):423–438, 2005.

Selected Further Reading:

- Barry Eichengreen. The endogeneity of exchange rate regimes. Technical report, National Bureau of Economic Research, 1993.
- Dennis P Quinn and Carla Inclan. The origins of financial openness: A study of current and capital account liberalization. *American Journal of Political Science*, pages 771–813, 1997.
- William Bernhard and David Leblang. Democratic institutions and exchange-rate commitments. *International Organization*, 53(1):71–97, 1999.

- Jeffrey A. Frieden. Exchange rate politics. In Jeffrey A Frieden and David A Lake, editors, *International Political Economy*, pages 257–69. Routledge, 4th edition, 2002.
- Charles Wyplosz. EMU: Why and how it might happen. In Jeffrey A. Frieden and David A. Lake, editors, *International Political Economy*, pages 257–69. Routledge, 4th edition, 2002.
- Beth A Simmons and Zachary Elkins. The globalization of liberalization: Policy diffusion in the international political economy. *American political science review*, 98(1):171–189, 2004.
- William Roberts Clark. *Capitalism, not globalism: Capital mobility, central bank independence, and the political control of the economy*. University of Michigan Press, 2009.
- Joshua Aizenman. The impossible trinity (aka the policy trilemma): the encyclopedia of financial globalization. Technical report, Working Papers, UC Santa Cruz Economics Department, 2010.
- Helen V Milner and Bumba Mukherjee. Democratization and economic globalization. *Annual Review of Political Science*, 12:163–181, 2009.
- David Steinberg and Stefanie Walter. The political economy of exchange rate policy. *Encyclopedia of Financial Globalization*, Elsevier, 2012.
- Mark S Copelovitch and Jon CW Pevehouse. Ties that bind? preferential trade agreements and exchange rate policy choice. *International Studies Quarterly*, 57(2):385–399, 2013.
- Michael Tomz. International Finance. In Walter Carlsnaes, Thomas Risse-Kappen, Thomas Risse, and Beth A Simmons, editors, *Handbook of International Relations*, pages 720–745. Sage, 2013.
- J Lawrence Broz and Seth H Werfel. Exchange rates and industry demands for trade protection. *International Organization*, 68(2):393–416, 2014.
- Jeffrey A Frieden. *Currency Politics: The Political Economy of Exchange Rate Policy*. Princeton University Press, 2014.

Week 6: (21-Feb-19) Political economy of monetary policy

- Beth A Simmons. International law and state behavior: Commitment and compliance in international monetary affairs. *American Political Science Review*, 94(4):819–835, 2000.
- Philip Keefer and David Stasavage. The limits of delegation: Veto players, central bank independence, and the credibility of monetary policy. *American Political Science Review*, 97(3):407–423, 2003.
- Alexandra Guisinger and David Andrew Singer. Exchange rate proclamations and inflation-fighting credibility. *International Organization*, 64(2):313–337, 2010.
- J Lawrence Broz and Michael Plouffe. The effectiveness of monetary policy anchors: Firm-level evidence. *International Organization*, 64(4):695–717, 2010.

- Cristina Bodea and Raymond Hicks. Price stability and central bank independence: Discipline, credibility, and democratic institutions. *International Organization*, 69(1):35–61, 2015.

Selected Further Reading:

- Francesco Giavazzi and Marco Pagano. The advantage of tying one’s hands: EMS discipline and central bank credibility. *European Economic Review*, 32(5):1055–1075, 1988.
- Beth A Simmons. *Who Adjusts? Domestic Sources of Foreign Economic Policy During the Interwar Years*. Princeton University Press, 1997.
- Alan S Blinder. Central-bank credibility: Why do we care? How do we build it? *American Economic Review*, 90(5):1421–1431, 2000.
- Kenneth Scheve. Public inflation aversion and the political economy of macroeconomic policymaking. *International Organization*, 58(1):1–34, 2004.
- Daron Acemoglu, Simon Johnson, Pablo Querubin, and James A Robinson. When does policy reform work? the case of central bank independence. Technical report, National Bureau of Economic Research, 2008.
- David Bearce. *Monetary divergence: domestic policy autonomy in the post-Bretton Woods era*. University of Michigan Press, 2009.
- Cristina Bodea. Exchange rate regimes and independent central banks: a correlated choice of imperfectly credible institutions. *International Organization*, 64(3):411–442, 2010.

Week 7: (28-Feb-19) Political economy of competitive monetary policy

- Barry Eichengreen. *Golden Fetters*. New York: Oxford University Press, 1992: Introduction (posted on course web page; for copyright reasons, to be accessed by enrolled course participants only).
- David Steinberg. *Demanding Devaluation: Exchange Rate Politics in the Developing World*. Cornell University Press, 2015: Introduction (posted on course web page; for copyright reasons, to be accessed by enrolled course participants only).
- Manuela Moschella. Currency wars in the advanced world: Resisting appreciation at a time of change in central banking monetary consensus. *Review of International Political Economy*, 22(1):134–161, 2015.
- Patrice Ollivaud, Elena Rusticelli, and Cyrille Schweltnus. The changing role of the exchange rate for macroeconomic adjustment. *OECD Economics Department Working Papers*, (1190), 2015.
- Olivier Blanchard. Currency wars, coordination, and capital controls. *International Journal of Central Banking*, 13(2):283–308, 2017.

Selected Further Reading:

- Mary Amiti, Oleg Itskhoki, and Jozef Konings. Importers, exporters, and exchange rate disconnect. *The American Economic Review*, 104(7):1942–78, 2014.
 - Swarnali Ahmed, Maximiliano Appendino, and Michele Ruta. Depreciations without exports? global value chains and the exchange rate elasticity of exports. *World Bank Policy Research Working Paper*, (7390), 2015.
 - Kevin Cheng, Gee Hee Hong, Dulani Seneviratne, and Rachel van Elkan. Rethinking the exchange rate impact on trade in a world with global value chains. *International Economic Journal*, 30(2):204–16, 2016.
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Week 8: (7-Mar-19) Power and Interdependence

- Robert O Keohane and Joseph S Nye. *Power and interdependence*. Pearson, 4th edition, 2012. First published in 1977: Parts I-IV.
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Week 9: (14-Mar-19) Spring Break

- NO CLASS MEETING
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Week 10: (21-Mar-19) A history of financial crises

- Charles P Kindleberger and Robert Aliber. *Manias, panics, and crashes: A history of financial crises*. Palgrave Macmillan, 7th edition, 2015.

Selected Further Reading:

- Carmen M Reinhart and Kenneth S Rogoff. *This time is different: Eight centuries of financial folly*. Princeton University Press, 2009
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Week 11: (28-Mar-19) Politics of macroeconomic adjustment: Asian financial crisis.

- Stefanie Walter. *Financial crises and the politics of macroeconomic adjustments*. Cambridge University Press, 2013: Chapters 1–2, 6.
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Week 12: (4-Apr-19) 2008 global financial crisis: the U.S. saga

- Adam Tooze. *Crashed: How a decade of financial crises changed the world*. New York: Viking, 2018: pp. 1–317 (focus on US story; you may skim the chapters/sections on Europe, but will want to revisit for next week).

Selected Further Reading:

- Moritz Schularick and Alan M Taylor. Credit booms gone bust: monetary policy, leverage cycles, and financial crises, 1870–2008. *The American Economic Review*, 102(2):1029–1061, 2012.
- Thomas Oatley, W Kindred Winecoff, Andrew Pennock, and Sarah Bauerle Danzman. The political economy of global finance: A network model. *Perspectives on Politics*, 11(1):133–153, 2013.
- Atif Mian, Amir Sufi, and Francesco Trebbi. Resolving debt overhang: political constraints in the aftermath of financial crises. *American Economic Journal: Macroeconomics*, 6(2):1–28, 2014.
- William Kindred Winecoff. Structural power and the global financial crisis: a network analytical approach. *Business and Politics*, 17(3):495–525, 2015.
- Stephen C Nelson and Peter J Katzenstein. Uncertainty, risk, and the financial crisis of 2008. *International Organization*, 68(2):361–392, 2014.
- Cameron Ballard-Rosa, Allison Carnegie, and Nikhar Gaikwad. Economic crises and trade policy competition. *British Journal of Political Science*, pages 1–36, 2016.

Week 13: (11-Apr-19) 2008 global financial crisis: the European saga

- Adam Tooze. *Crashed: How a decade of financial crises changed the world*. New York: Viking, 2018: pp. 319–446 (if you skipped over any of the chapters on Europe last week, reread these for today’s discussion).
- Stefanie Walter. *Financial crises and the politics of macroeconomic adjustments*. Cambridge University Press, 2013: Chapter 3.
- Matthias Matthijs and Mark Blyth. When is it rational to learn the wrong lessons? Technocratic authority, social learning, and Euro fragility. *Perspectives on Politics*, 16(1):110–126, 2018.

Selected Further Reading:

- Michael M Bechtel, Jens Hainmueller, and Yotam Margalit. Preferences for international redistribution: The divide over the eurozone bailouts. *American Journal of Political Science*, 58(4):835–856, 2014.
- Stefanie Walter, Elias Dinas, Ignacio Jurado, and Nikitas Konstantinidis. Noncooperation by popular vote: Expectations, foreign intervention, and the vote in the 2015 Greek bailout referendum. *International Organization*, 72(4):969–994, 2018.
- Stephen C Nelson and Peter J Katzenstein. Uncertainty, risk, and the financial crisis of 2008. *International Organization*, 68(2):361–392, 2014.
- Phillip Y Lipsky. Democracy and financial crisis. *International Organization*, 72(4), 2018.
- Moritz Schularick and Alan M Taylor. Credit booms gone bust: monetary policy, leverage cycles, and financial crises, 1870–2008. *The American Economic Review*, 102(2):1029–1061, 2012.

Week 14: (18-Apr-19) Austerity: the hangover after the party

- Mark Blyth. *Austerity: The History of a Dangerous Idea*. Oxford University Press, 2013.

Week 15: (25-Apr-19) Will the next time be different?

- Adam Tooze. *Crashed: How a decade of financial crises changed the world*. New York: Viking, 2018: pp. 447–616.
- Eric Helleiner. Understanding the 2007–2008 global financial crisis: Lessons for scholars of international political economy. *Annual Review of Political Science*, 14:67–87, 2011.
- Phillip Y Lipsky. Democracy and financial crisis. *International Organization*, 72(4), 2018.

Final papers due by 12:00pm on Tuesday, May 7, 2019.