Political Science 213/313R
Political Economy of Financial Crises

Course Description

Advanced undergraduate / graduate seminar examining the political economy of financial crises. We will survey theories about the characteristics, causes, and consequences of financial crises as well as financial crisis response. We will then consider and evaluate those theories in light of major historical episodes.

Course Requirements

Participation (30%): You should come to class prepared to actively discuss the readings for the session.

Final Paper (70%): A 30 page research paper (7000-8000 words) related to the class material (Due: June 5). The instructor will provide suggested paper topics. Students will present their preliminary research to the class.

General Policies

Active participation in class discussions is required – absences must be cleared prior to the session with the instructor. Unexcused absences will result in a half letter grade reduction in the student’s final grade. Late assignments will be penalized by half a letter grade each day the assignment is late.

Prerequisites

There are no formal prerequisites, but Economics 1 and PS 110C/X or equivalent class work is strongly recommended.

Readings

Readings will be made available on course work.
Overview of Topics

Week 1 (3/30) Introduction
Week 2 (4/6) Overview of Financial Crises
Week 3 (4/13) Some Theoretical Perspectives on Financial Crisis Response
Week 4 (4/20) International Financial Crises
Week 5 (4/27) Early Crises
Week 6 (5/4) The Great Depression
Week 7 (5/11) Japan’s Economic Stagnation
Week 8 (5/18) Role of the International Monetary Fund
Week 9 (5/25) The Asian Financial Crisis
Week 10 (6/1) Crisis of 2008
Week 1: Introduction

(Get Started on the Readings for Week 2)

Week 2: Overview of Financial Crises


Week 3: Some Theoretical Perspectives on Financial Crisis Response


Week 4: International Financial Crises


Week 5: Early Crises


Week 6: The Great Depression


Week 7: Japan’s Economic Stagnation


Week 8: Role of the International Monetary Fund

James Vreeland. 2006. The International Monetary Fund: Politics of Conditional Lending, 5-36 (“What is the IMF?”), 73-94 (“What are the Effects of IMF Programs?”).


Week 9: The Asian Financial Crisis


Week 10: The Crisis of 2008


Miguel Almunia, Agustín S. Bénétrix, Barry Eichengreen, Kevin H. O. Rourke and Gisela Rua. 2009. “From Great Depression to Great Credit Crisis: Similarities, Differences and Lessons.”


Donald Kohn. 2010. “Homework Assignments for Monetary Policymakers.”

Other Selected Articles on Recent Events.