This course is a seminar course in economic history. It covers a selected set of topics in the history of the international monetary and financial system. The reading list contains more topics than will be covered in the course. The actual topics to be covered will be decided when the course is under way. Students are expected to read all the required readings before each class. Each class will be conducted by a member of the seminar. I will pick up the topics not chosen by others. In conducting the class the rapporteur should first discuss the salient points of the topic, then go into the contribution of each article.

The requirements of the course are: 1) A major research paper worth 40% of the grade; 2) class presentations worth 30% of the grade; 3) a take-home final examination worth 30% of the grade.

The research paper should be an empirical study of approximately 30-40 pages, on anything in Global Monetary and Financial History. Using the reading list as a guide, the student may wish to go into greater detail on any of the topics in it. Alternatively, he/she may wish to break entirely new ground.

Each paper should include: a clear statement of the problem/controversy/policy/event; a brief survey of the literature; some descriptive data; discussion of the theoretical approach and quantitative methods used; presentation of results; conclusions and implications.

Selected Topics (only a suggestion)

Did Monetary Policy work before 1914?
Could the Gold Exchange Standard have survived
The origins of monetary unions
Was Bretton Woods really a novel system?
Rules versus discretion in history
Did international monetary cooperation ever work?
How were financial crises resolved before World War I?
How did the periphery fare under the gold standard?
What are the dangers of a backlash against globalization?
What is novel about the crisis of 2007-2008?
Would the Eurozone be saved if it had a fiscal union?
Reading List

Background Books


Michael Bordo and Ronald Macdonald. Credibility and the International Monetary Regime, Cambridge University Press 2012


General Overview


I. The Classical Gold Standard

A. Theory/Operation/Adjustment

Required Reading


Supplementary Reading


B. The Gold Standard as a Rule

Required Reading


Supplementary Reading


C. The Gold Standard and Financial Integration

Required Reading


**Supplementary Reading**


**D. War Finance and the Gold Standard**

**Required Reading**


**E. The Gold Standard: Efficiency**

**Required Reading**


Supplementary Reading


III. The Origins of Monetary Policy

A. The Rules of the Game.

Required Reading


Supplementary Reading


B. The Origins of Central Banks

Required Reading


**Supplementary Reading**


**C. Deflation under the Gold Standard**

**Required Reading**


Supplementary Reading


IV. Financial Crises

A. Background: Theories of Financial Crises

A. Banking Crises
B. Currency Crises
C. Twin Crises
D. Debt Crises
E. Transmission / Contagion
F. The Crisis of 2007-2008

Required Readings


Michael D. Bordo, Currency Crises (And Banking Crises) in Historical Perspective, pages 1-21.


Supplementary Reading


Franklin Allen and Douglas Gale, Understanding Financial Crises.
B. Historical and Empirical Dimensions

1. History of Crises

Required Readings


Supplementary Reading


2. Empirical Dimensions

Required Readings


Carmen Reinhart and Kenneth Rogoff, This Time is Different, Chapters 1, 10, 13, 14, 15, 16, 17.


Supplementary Reading

3. Contagion in Historical Perspective

Required Reading


Supplementary Reading


C. Policy Perspectives

1. Background

Required Reading


2. Lender of Last Resort and International Lender of Last Resort

Required Reading


Supplementary Reading


3. Rescues versus Bailouts

Required Reading


4. Sovereign Debt Workouts

Supplementary Reading


5. The Crisis of 2007-2008

Required Reading


Supplementary Reading


V. A. Globalization in Historical Perspective

Required Reading


Michael D. Bordo, Barry Eichengreen and Jong woo Kim, “Was there really an Earlier Period of International Financial Integration Comparable to Today?” Bank of Korea, The


Supplementary Reading


B. Globalization and Financial Crises in Emerging Markets

1. Theoretical Background

Required Readings


2. Historical Perspectives
Required Readings


VI. The InterWar Period

A. Breakdown of the Gold Standard, Hyperinflation and Stabilization

Required Reading


Barry Eichengreen and Charles Wyplosz,(1990), "The Economic Consequences of the

**Supplementary Reading**


**B. The Gold Exchange Standard**

**Required Reading**


Michael Bordo and Ronald MacDonald,” The Interwar gold Exchange Standard: credibility and Monetary Independence.” Chapter 5 in Bordo and MacDonald *Credibility and the International Monetary Regime*
Supplementary Reading


VII. The Great Depression

Required Reading


Barry Eichengreen, Golden Fetters, Chapters 8-13.


**Supplementary Reading**


**VIII. Bretton Woods**

**Required Reading**


Supplementary Reading


IX. The Dollar Standard

Required Reading


IX. European Monetary Union in Historical Perspective

A. Monetary Unions

Required Reading


Supplementary Reading


B. European Monetary Union

Required Reading


Supplementary Reading
