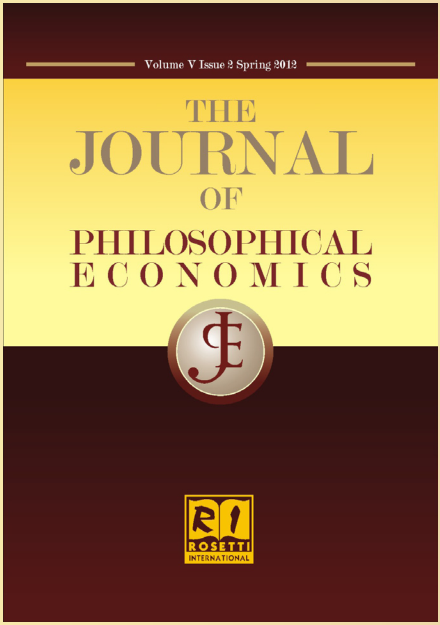
THE JOURNAL OF
PHILOSOPHICAL ECONOMICS

Volume V Issue 2 Spring 2012

ISSN 1843-2298



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Dao, Linh (2012) 'Review of Eric Helleiner, Stefano Pagliari and Hubert Zimmerman (editors), *Global Finance in Crisis: The Politics of International Regulatory Change*', *The Journal of Philosophical Economics*, V:2, 133-136

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How have the global financial architects responded to the 2008 crisis, the worst financial meltdown since the Great Depression of the 1930s? Could or should they have responded differently? In their multi-edited volume *Global Finance in Crisis: The Politics of International Regulatory Change*, Helleiner et al were among the first international political economy (IPE) scholars to provide a holistic and multifaceted answer to these challenging questions. Through contemporaneous and cutting-edge analysis of global finance regulations before and after 2008, the volume convincingly explains the causes, consequences and the reactionary nature of the institutional changes. The real question is: how fundamental and radical are these changes? Despite many disagreements, most authors seem to agree that the regulatory changes in global finance are ad hoc, incremental changes rather than complete system restructuring. Given that the volume is written in the midst of the reform itself, the readers are provided with ample opportunity to interpret and evaluate these explanations, once the outcomes become more visible.

A major strength of the book is the collective attempt of its authors to each put upfront a reflective evaluation of the changes that they witness in the financial regulatory system, in relation to what other authors say. First, according to most, these changes are at best incremental due to multiple structural and historical constraints. Or, in the words of Nolke, "the system is being tweaked rather than reformed." (280) In essence, the supposedly "new" system is actually built on the existing one, which by itself is already a reactionary response to previous crises (as discussed in chapters 2, 4, 9 and 10). Fixing the current system is much easier than building a new one from scratch, especially when it is managed by a network of righteous experts and scholars (as discussed by Tsingou in chapter 2) and when the rigidity of the system only encourages member states to stick to the status quo (as discussed by Katada and Walter in chapters 9 and 10). The technocrats' blueprints and the assumed superiority of established rules, in fact, are central to the difficulty and slowness experienced by previous institutional reforms, as discussed by the editors in the opening chapter. In the face of such a multifaceted crisis, it is hard to name any particular culprit: if everyone is to blame, no one is.

Second, many authors identify the centrality of domestic politics in leading states (US, UK) as a key driver of international finance regulatory reform. Just as the interest of Western capitalism has shaped the post-war order, dubbed the Bretton Woods system, the interest of leading states in restructuring the regulatory system also shapes the nature of this reform, for they happen to be its very victims this time. Yet the lack of a strong, integrated international coordination and the nature of economic divergence across nations hinder this process. Nolke in his analysis of financial accounting regulation makes it clear that international coordination is unrealistic, due to the different modes and phases of capitalism experienced in various states. The "weak, fragmented and relatively irrelevant" (4) system is doomed to be ever more fragmented and weak due to leading powers' shaky position and self-interests. Similarly, Zimmerman in his account of regulatory divergence argues that real change will take a lot of time due to different rates of policy formation and implementation among different states. The implication is clear: the one-size-fits-all Bretton Woods structure naturally faces enormous challenges when dealing with domestic constraints.

Despite the editors' intention stated in the introduction to divide the authors into two camps (those who believe in the possibility of fundamental changes and those who don't), most authors fall into the latter category, with the exception of Posner (chapter 7 on the European approach) and the editors Helleiner and Pagliari themselves (chapter 5 on hedge funds and derivatives). The co-editors foresee a turning-point scenario: after decades of lax self-regulation, the two sectors most accountable for the crisis, namely hedge funds and derivatives, are finally made to face much stricter public scrutiny. In the same optimistic tone, Posner predicts an emerging European leadership in financial regulation, due to its political and institutional capability as well as ambitious international and regional agendas. This upbeat mode of thinking in fact speaks to various authors' predictions: Signer foresees the US's retreat due to political constraints at home (chapter 6); Katada envisions Japan's placid and humble rule-taking attitude; and Walter is convinced of China's lack of expertise and readiness in leading (chapter 10); all of which provide great conditions for Euro-leadership in global finance. However, with the benefit of hindsight, readers could critically testify to Postern's perhaps overly optimistic prediction: it is hard to imagine any immediate emergence of Euro-leadership while the continent, especially the Euro-zone, is facing a deep financial crisis itself.

Like any practical volume, the book concludes with a list of take-home lessons for readers and especially policymakers: structural shift in risk models, expansion of new membership, a necessary push for domestic implementation, stronger legitimization of international institutions and recalibration of public/private involvement. Although skeptical of the practicality of this reform proposal, all authors seem to agree that the financial sector's fragility in a deregulated, fragmented and weak system as well as domestic political concerns lie at the heart of the problem in post-crisis reform. What the coeditors could have stressed in their concluding chapter, however, is an overall skepticism with the very idea of "global finance" that forms the (slightly misleading) title of their book. In synthesizing the different analyses made by these authors, readers can't help but question: Are real changes in "global finance" even universally desirable, despite being already extremely difficult? There is no global governance that could control the financial system to the best advantage of every member. Just as Zimmerman argues in Chapter 8, the core differences in many national economic features are what distinguish different financial systems. So, in the end, however radical the changes are at the international level, they have to be in tune with domestic conditions. Consequently, resolving the international finance crisis through strengthening global regulation is not only unrealistic but also quite insufficient.

Another limitation of the volume is the lack of a dominant theoretical framework. The editors open the volume with three major analytical lenses largely used by international relations scholars to explain structural change: inter-state power, domestic politics and transnationalism. However, the authors seem to favor very different and sometimes even conflicting theoretical approaches, weakening the volume's analytical power. For example, both Tsingou and Singer acknowledge the challenges in forming a harmonious, effective response to the crisis. However, the former explains it using transnationalism (a transnational network of overly assertive experts hinders effective reform) which inherently contradicts the domestics politics explanation used by the latter (domestic differences lead to unequal, ineffective reform). Understandably, the heterogeneous nature of this multi-edited volume prevents a perfectly coherent narrative. Moreover, as the consequences of the crisis are still yet to fully unfold; the volume editors might reasonably not want to combine all possible explanations into one single analysis and thus risk oversimplifying these on-going and complex events at the expense of losing the big picture.

Despite divergence in theories and analytical concepts, the volume still manages to flow rather well thanks to the editors' effort to connect the different points of view in the beginning and concluding chapter, a uniform structure (main argument, chapter outline, facts, explanation, prediction, conclusion), and the clear content division between part I (issues and structures) and part II (countries and regions). Despite the lack of any decisive conclusion or explanation, this structural coherence definitely allows for cross-check clarification and critical comparison. Additionally, this flexible structure also invites more contributions, such as a potential revision volume, and an open-ended conclusion still awaits reflection and postscripts, as the story slowly unfolds.

In conclusion, *Global Finance in Crisis* is a worthy read not only for students of political science or policymakers but also to anyone who is interested in cutting-edge issues and debates in the contemporary global economy. Easy to follow, jargon-free, succinct and incisive, this book deserves serious consideration and would be a good initiation for anyone to this multifaceted and complex crisis of global finance.

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