H-Diplo ROUNDTABLE XXVI-15

Harold James. *Seven Crashes: The Economic Crises that Shaped Globalization.* Yale University Press, 2023. ISBN: 9780300263398.

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Introduction by Linda Yueh, University of Oxford

It is my pleasure to write the introduction to this H-Diplo roundtable on the eminent economic historian Harold James's *Seven Crashes: The Economic Crises that Shaped Globalization.* As the author of a new book on the great crashes of the past century,[1] I was pleased to provide the following endorsement of *Seven Crashes*: "James's masterful account sheds new light on how globalization has been shaped by economic crises since the nineteenth century and deepens our understanding of globalization's opportunities and its challenges."

Coming from a rich variety of backgrounds, the reviewers are nevertheless generally in agreement that James's book offers insightful analysis of seven crashes dating from 1840 to the recent COVID-19 crash. They also raise nuanced points about how these crashes affected key "turning points" in the history of globalization. Due to their varied disciplinary lenses, the reviewers each add valuable insights into the periods of history and the evolution of globalization therein covered in James's expansive book.

James's thesis is that some crashes aided, while others hampered, globalization. The latter examples include the Great Depression of the 1930s after the 1929 Great Crash and the Great Recession that followed the 2008–2009 global financial crisis. But his book also argues that the two largest globalization surges in history followed major supply shocks, after the severe food shortage of the 1840s and the oil price shocks of the 1970s. James highlights how such supply shocks can support globalization by facilitating global integration and technology adoption through changes in people's mindsets, which underpins his overall thesis that globalization is a dynamic process driven by people and politics.

Alan Bollard praises the accounts of the seven crashes and James's dynamic view of globalization. He questions, however, whether the book offers a common framework. Bollard also challenges some of the distinctions that James draws between supply and demand shocks, as well as his search for similarities between different time periods. Like the other reviewers, he wonders whether the focus of the book, which largely overlooks Asia and developing countries, has led to missed insights. Also like the others, Bollard would have liked to understand what James's analysis means for policy interventions. He was, after all, in charge of financial stability at the New Zealand central bank during the 2008 global financial crisis. He describes in his review how he had to manage the crash through the financial equivalent of the so-called "fog of war."

D'Maris Coffman highlights James's "ambitious" counterargument to the consensus view that financial crises are largely negative demand shocks. James's thesis is that economic crises with their genesis in supply shocks have altered the dynamics of globalization, sometimes positively. Coffman praises the book for the new insights that it delivers about the seven crashes that have shaped globalization, but additionally asks whether there is a message for the economists and policymakers who will confront the next inevitable crash. She also raises a critique that the largely Anglophone focus of the book means that French writers and their work on the origins of supply shocks have been omitted.

[1] Linda Yueh, *The Great Crashes: Lessons from Global Meltdowns and How to Prevent Them* (Penguin Business, 2023).

Eric Helleiner praises the work for its fascinating comparative historical analysis. He highlights the book's argument that past crises have created new ways of thinking about existing technology and human behavior. For instance, the reason that the 1840s and 1970s crises arguably had a positive impact on globalization was that they encouraged the widespread application of technologies and encouraged greater global integration to secure more robust sources of supply. Like the other reviewers, he queries omissions from the book. For instance, he mentions the developing economies' debt crises of the early 1980s and the late 1990s as well as the "China shock" of the early 2000s which James analyzed in previous work, but not here.[2] Helleiner also raises the challenge of a "polycrisis," which refers to "a cluster of distinct and interacting crises whose effects tend to reinforce each other."[3] Although the concept is not directly addressed in the book, he nevertheless concludes that a polycrisis makes it even more important for policymakers and scholars to develop new "mental maps" to guide them through the next turning point in globalization as posited by James.

In her review, Kathryn C. Lavelle writes that James's novel study will be an important addition to the canon. Her focus is somewhat different from the other reviewers. She praises James's incorporation of elements of social change that result from crashes, which offers a fuller picture than the usual economic or financial interpretation of globalization. She questions, though, whether the social change that he writes about should cover colonialization as well as class and gender: that is, categories of people who experience economic transformation differently. She provides insightful evidence in her review that enriches the economic history of various periods of crises, which adds nuance to our understanding of the course of globalization detailed in James's book.

James's thoughtful response to the reviews engages with the main critiques and sheds further light on why he selected these seven crashes. He also addresses the omissions from the book. His erudite explanation reminds us of the challenge of making choices in a book that covers such an expansive sweep of history. One answer surely is that we should be looking out for his next book.

Contributors:

Harold James is the Claude and Lore Kelly Professor in European Studies at Princeton University, a Professor of History and International Affairs at the Woodrow Wilson School, and an Associate at the Bendheim Center for Finance. He is the official historian of the International Monetary Fund. In 2004 he was awarded the Helmut Schmidt Prize for Economic History, and in 2005 the Ludwig Erhard Prize for writing about economics. He writes a monthly column for *Project Syndicate*. His recent books include *The Euro and the Battle of Economic Ideas* (with Markus K. Brunnermeier and Jean-Pierre Landau) (Princeton

[2] Harold James, *The End of Globalization: Lessons from the Great Depression* (Harvard University Press, 2002).

[3] See Adam Tooze, *Shutdown* (Viking, 2021); Tooze, "Welcome to the World of the Polycrisis," *Financial Times*, 29 October 2022; Mathew Davies and Christopher Hobson, "An Embarrassment of Changes: International Relations and the COVID-19 Pandemic," *Australian Journal of International Affairs* 77:2 (2023): 15-68; Eric Helleiner, "Economic Globalization's Polycrisis," *International Studies Quarterly* (forthcoming).

University Press, 2016), *Making a Modern Central Bank: The Bank of England 1979–2003* (Cambridge University Press 2020), and *The War of Words: A Glossary of Globalization* (Yale University Press 2021).

Linda Yueh is Fellow in Economics at St. Edmund Hall, University of Oxford and Adjunct Professor of Economics at London Business School. She was a Visiting Professor at the London School of Economics and Political Science (LSE) and Peking University. She serves on the advisory boards of LSE IDEAS and the Centre for Economic Performance (CEP) both at the LSE. She was Chair of the LSE Economic Diplomacy Commission from 2019–2022. Her latest economic history books include: *The Great Economists: How Their Ideas Can Help Us Today* (Viking, 2018) and *The Great Crashes: Lessons from Global Meltdowns and How to Prevent Them* (Penguin Business, 2023).

Alan Bollard is Professor of Economics at the Victoria University of Wellington and a senior New Zealand civil servant. Selected publications include: *A Few Hares to Chase: The Economic Life and Times of Bill Phillips* (Oxford University Press, 2016), *Economists at War: How a Handful of Economists Helped Win and Lose the World Wars* (Oxford University Press, 2020), and *Economists in the Cold War: How a Handful of Economists Fought the Battle of Ideas* (Oxford University Press, 2023). His current research focuses on the early twentieth century and is tentatively entitled *Economists and the End of Empire: Key Economic Players, 1905–1930*.

D'Maris Coffman is Professor of Economics and Finance at University College London where she is also Vice Dean Innovation & Enterprise at the Bartlett Faculty of the Built Environment. In the UK, she is a Fellow of the Royal Historical Society, the Society of Antiquaries of London, the Royal Geographical Society, and the Academy of Social Sciences. She is also a Foreign Member of the Istituto Lombardo (Milan) and of the Accademia Nazionale dei Lincei (Rome) and a Distinguished Visiting Professor at Tsinghua University (China). She is Editor-in-Chief of *Structural Change and Economic Dynamics*. She has published over 150 books, journal articles, and contributed essays, including most recently the first English translation (with Ali Kabiri and Nicholas Di Liberto) of Jean Lescure's *Des crises generales et périodiques de surproduction* (*General and Periodic Crises of Overproduction*) for Anthem Book's *Economic Ideas That Built Europe* series. She works across the fields of economic history, economic geography, infrastructure economics and environmental economics. Her recent historical work has focussed on the London Corporation's role in financing the rebuilding of the City of London after the Great Fire and on translating and contextualizing early-twentieth century economists who attempt to theorize the contribution of intersectoral interdependencies to the dynamics of business cycles.

Eric Helleiner is Professor and University Research Chair in the Department of Political Science at the University of Waterloo. His most recent books include *The Contested World Economy: The Deep and Global Roots of International Political Economy* (Cambridge University Press, 2023) and *The Neomercantilists: A Global Intellectual History* (Cornell University Press, 2021).

Kathryn C. Lavelle is the Ellen and Dixon Long Professor in World Affairs at Case Western Reserve University. She is the author of *The Challenges of Multilateralism* (Yale University Press, 2020), *Money and Banks in the American Political System* (Cambridge University Press, 2013), *Legislating International*

Organization: The US Congress, the IMF, and the World Bank (Oxford University Press, 2011), and *The Politics of Equity Finance in Emerging Markets* (Oxford University Press, 2004).

Review by Alan Bollard, Victoria University of Wellington

Harold James's book *Seven Crashes: The Economic Crises that Shaped Globalisation* is, as entitled, an account of seven major economic—and associated social, political, geographical, and technological—events that have taken place over the last two centuries. But James is trying for something more than a mere account; if not a generalized theory of international crashes, then at least a common framework that allows for the analysis of common drivers and impacts on globalization. The accounts of the seven crashes are intriguing, insightful, and readable, but the book is less convincing in fitting these events neatly into a general theory.

James belongs to that school of well-known historians who research and write eruditely and prolifically, with an eye to modern readers and modern issues.[1] The economics of globalization has been a recurring theme through his previous work.[2] This book ranges broadly, from the traditional haunts of historians, to the very recent history of the Global Financial Crisis, to history-as-it-happens in his last chapter on the Great (COVID) Lockdown.[3]

At the onset, James writes that this is a "…story of how the transformation proceeds…or better how it revolutionises thinking and reconfigures the story of globalisation" (1). He succeeds well in his seven different accounts of this process, each one a globally important set of disruptions. But do a famine, a colonial clash, a world war, a hyper-inflation, a depression, a stagflation, a financial crisis, and an epidemic lockdown have enough common elements and drivers? Common to each case, markets are stressed, there is contagion across borders, and this collectively impacts globalization. But are there consistencies, continuities, and logical connections among the seven—that is, can there be a general theory of crashes and globalization?

To address this question, James helpfully devotes his introductory chapter to building a framework around these disparate events. He casts a wide net by defining globalization as the interconnectedness of goods, capital, people, and ideas across borders, and points out it is not an inexorable process, but rather a phenomenon that proceeds in uneven and erratic developments and is shaped by collective responses to disruptions and crises (1-25).

He presents these shocks as involving (mainly) negative supply shocks, in turn signaled through price hikes, which signal specific resource shortages, but may also result in general inflation. These price signals prompt

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[1] As a prolific British historian holding a prestigious American academic position at Princeton University, James joins eminent colleagues such as Paul Kennedy (Yale), Niall Ferguson (Stanford and Harvard), and Adam Tooze (Columbia).

[2] For example, Harold James, *The Creation and Destruction of Value: The Globalization Cycle* (Harvard University Press, 2019).

[3] Robert S. McElvaine, *The Great Depression: America, 1929–1941* (Times Books, 1984); A. G. Malliaris, Leslie Shaw, and Hersh Shefrin, *The Global Financial Crisis and Its Aftermath* (Oxford University Press, 2016); Adam Tooze, *Shutdown: How COVID Shook the World's Economy* (Viking, 2021).

new responses—new ways of thinking, new institutions, new economic processes, often with positive effects, but sometimes negative ones as well. This is all a logical, if not path-breaking approach.

James notes that crises may also be associated with negative demand shocks, and sometimes demand and supply shocks may both occur, as they did during the COVID crisis. Occasionally James sees supply shocks as causing demand shocks (e.g., the potato blight of 1845–1855). The supply shocks mainly impact globalization, while "negative demand shocks push in the direction of national self-sufficiency or even autarky" (24).

In recounting the major supply shocks, James is interested in their connections with globalization, but these links are not consistent. Mega-crashes may be caused by globalization, as in World War I, made deeper by globalization, as in the Global Financial Crisis of 2007–2009, or saved by globalization, as seen recently in the economic recovery after COVID. But James goes further, arguing that crashes can reduce globalization, as during the Great Depression, or increase globalization, as when the potato blight led to mass emigration. By the end of the book, he concludes that negative supply shocks reveal inelastic shortages—food in the 1840s, munitions in World War I, energy in the 1970s, medicines in 2020, asserting that "supply-shocks make and then re-make globalisation" (307).

As well as the distinction between supply and demand shocks, there are other tensions inherent in this framework. Among other things, they are the tensions between the world of science, with its viruses and its technologies, and the world of economics, between real, nominal, and financial phenomena, and between domestic outcomes and the globalized world.

James makes these arguments entertaining but his interest in searching for similarities between different periods and different people presents a challenge. In the opening chapter, James references German Finance Minister Rudolf Hilferding, US Federal Reserve Chairman Paul Volcker, and English writer Thomas Hardy, amongst many others (1-25). By the concluding chapter, he is citing comparisons from French President Napolean III to British Prime Minister Margaret Thatcher to Chinese businessman Jack Ma (307-316).

James also utilizes traditional economic references. James recounts the roles of marginalist economists like William Stanley Jevons and growth economists like Robert Solow. But these are economists of the steady-state, whereas James's book is inherently about disequilibrium and disruption. Given that the book is widely sourced, it is surprising that James does not look to the economists who pioneered thinking on cycles, crashes, and markets.

For example, there is no mention of Nikolai Kondratiev, the Russian economist assassinated by Stalin, who pioneered work on what Austrian economist Joseph Schumpeter labelled as long-wave cycles—occurring on approximate 40-60 year intervals—based on new technologies, new goods, and other drivers.[4] Modern

[4] Nikolai Kondratieff, translated by Guy Daniels, *The Major Economic Cycles* (E.P. Dutton, 1984).

economists are skeptical about long-term cycles,[5] but as Eric Hobsbawm wrote, many historians and economists have been convinced that "there is something in them, even if we don't know what."[6]

Though Schumpeter receives brief mention, his theory of creative destruction, which seems relevant not just to the technological changes described by James, but also lends itself to institutional and policy change, is not referenced in the context of the economic waves and transformations that James explores.[7] Schumpeter was briefly finance minister of Austria at the time when the county was transformed from a large empire to a small state a fraction of its previous size (but left holding many of the liabilities of the old Empire), and he knew about disruption.

Given James's focus on the role of the price system in signaling change, it is also surprising that he pays little attention to the Austrian School (other than his mentions of Carl Menger). The arguments that emerged from the University of Vienna Seminars, which later endured as the Economic Calculation Debate between Austrians like Ludwig von Mises and socialists like Oskar Lange, offer rich intellectual pickings, given that market prices and central planning vied for dominance in allocation systems during much of the twentieth century.[8] Many economists have pointed to major economic crashes as representing failings of markets.[9] James gives attention to the writings and influence of Karl Marx, but broadly sees these market crises as strengthening the role of capitalism (43-51).

As an economist working in the Asia-Pacific region, I found the geographical focus of the book to be Euro-American centric. This is not surprising, but it does mean that in a text which brims with comparative material, potentially illuminating examples are omitted. Examples include the experiences of the southern commodity-producing countries where northern supply shocks present as southern demand shocks. The huge food famines of South Asia and Africa, in which the victims far surpassed those who died in European crashes, the 1980s Latin American debt crisis, and the Asian Financial Crisis, are other missed opportunities. Most glaring, James ignores one of the biggest supply shocks of all, the East Asian Miracle of the post-war years which helped bring a billion people from poverty to middle income, and in doing so might be recognized as the greatest positive economic shock ever.[10]

There are other questions James might address. He could have better explained his definition of "crashes." In some cases, "crises" or "disruptions" or "shocks" might have been more appropriate terms. And what drove the selection of these seven events? Might not World War II or the Cold War have deserved a spot? Could there have been more counterfactual discussion—crashes which did not happen—as in the case of

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[5] Andrey V. Korotayev, and Sergey V. Tsirel, "A Spectral Analysis of World GDP Dynamics: Kondratieff Waves, Kuznets Swings, Juglar and Kitchin Cycles in Global Economic Development, and the 2008–2009 Economic Crisis", *Structure and Dynamics*, 4(1) (2010); https://escholarship.org/uc/item/9jv108xp.

[6] Eric Hobsbawm, *Age of Extremes: The Short Twentieth Century 1914–1991* (Abacus, 1999), 87.

[7] Joseph A. Schumpeter, *Capitalism, Socialism and Democracy* (Harper and Brothers, 1942). A modern example of creative destruction is the 2002 dot-com crash which led to new Silicon Valley business models.

[8] Oskar Lange, *On the Economic Theory of Socialism* (University of Minnesota Press, 1938).

[9] For example, Joseph Stiglitz, "The Financial Crisis was a Market Failure,", *The Economy 1.0*, www.core-econ.org.

[10] World Bank Group, *The East Asian Miracle: Economic Growth and Public Policy* (Oxford University Press, 1993).

the Great Moderation?[11] It would also have been interesting to understand where policy interventions could pre-warn, avoid, mitigate, or help adapt to major crashes. In my experience as a policy economist, institutions devote resources to identify major risks and plan accordingly. But the practical success in doing this is mixed. For example, at the 2019 Davos Retreat, participants were polled on upcoming risks, and a major pandemic was not mentioned in the top ten. Would not a discussion on the "Black Swan" risks, that is, tail-end risks with little chance of identification in advance, have been useful?[12]

Chapter 1 introduces us to a cluster of events in the mid-nineteenth century, entitled The Great Famine and the Great Revolt. After reading about business cycles, financial and banking crises, the potato blight and other crop diseases, cholera, bad weather, the railroad boom, gold standard issues, the repeal of the corn laws, the US Civil War, the Japanese Meiji Restoration, American immigration, the "mature" Karl Marx, one is left with an impression of a turbulent decade but the narrative is not always clear about the lines of connection and causation (26-51).

The next chapter starts with the origin of a new term: "krach." It covers the crash of 1873, highlights the publication of Marx's *Das Kapital*, the development of underwater cables, the laying down of railroads, colonial exports, Jules Verne's *Around the World in Eighty Days*, the development of the financial sector, stock market collapse in Vienna, the natural phenomena of waves, and the growth of marginalist economic thinking (52-82). Again, it is a bit of a jumble, but certainly an enriching one.

There are new insights: World War I, which is usually interpreted as a military event with savage casualties, is here presented as a negative supply-side shock, a widening of the global scale of production (particularly the expansion of Japanese and Indian textile trade), capital crowd-out, together with an argument that *The State Theory of Money* by German Geog Friedrich Knapp was a structural forerunner of today's modern monetary theory (122).[13]

James posits that the Great Depression was a continuation of wartime disruption, when European production recovered but demand was constrained by war debt servicing, with the indebted countries constrained in their policy options. James sees the 1933 World Economic Conference in London as the moment when an international economic rescue was possible, despite the separate meetings of the monetary and trade experts, until it was torpedoed by President Franklin Roosevelt's radio broadcast attacking "the old fetishes of international bankers…," which was in fact driven by his domestic political interests (160).

James could have made more of the League of Nations and the series of international economic conferences in the 1920s and early 1930s. In fact, the 1927 World Conference organized by British civil servant Arthur Salter and others at the League of Nations in many ways pre-shadowed the later Bretton Woods

[11] Domenico Giannone, Michele Lenza, and Lucrezia Reichlin, "Explaining the Great Moderation: It is not the Shocks," *Journal of the European Economic Association* 6:2-3 (2018): 621-633.
[12] When I was New Zealand Treasury Secretary we planned and practiced for earthquake shocks and foot-and-mouth disease shocks. What eventuated were the 9/11 shocks and Northern Hemisphere financial risks.
[13] Georg Friedrich Knapp, translated by H.M. Lucas, and James Bonar, *The State Theory of Money* (Macmillan, 1924).

Conferences, with similar conclusions by conference attendees—the important difference being these decisions were never ratified their governments, and the US was not fully engaged.[14] Indeed an important common economic thread throughout the first half of the twentieth century was that the US had the growing economic power to lead but rarely did so, given that its leaders were driven by unhelpful domestic politics.

By the chapter on the Organization of the Petroleum Exporting Countries (OPEC) crises of the 1970s, James's account is telling of the over-confidence in previously successful macroeconomic management, previously unrecognized supply constraints, and the increasingly vituperative battles of academic and policy economists in the schools of Keynesianism, monetarism, and their variants (168-204). James acknowledges that globalization is erratic and that so too are the nature of shocks. In the penultimate chapter, he covers the complex events of the Global Financial Crisis (205-256). During that time, I was governor of the Reserve Bank of New Zealand, in charge of financial stability. My experience was that such crises are unclear until well after the headline events—the so-called "fog of war"—and that they unravel sometimes slowly and sometimes all at once. The full impact of the Global Financial Crisis was not completely clear until a decade later.[15]

James uses Robert Lucas's 2003 American Economic Association (AEA) Presidential Address as a lead-in to the "noughties" and the belief among some economists that modern macroeconomics should henceforth be capable of preventing depression (205). In my experience, the Global Financial Crisis was a story of financial firms like Lehman and Bear Stearns, of over-exuberant and under-regulated mortgage lending, of rapidly moving financial contagion, of economists like Carmen Reinhart and Kenneth Rogoff and others carrying out hasty research into the borrowing capacity of economies, of credit rating agencies being themselves rated, and of rock star central bankers riding to the rescue. James explains some of the new instruments used by central bankers, though my memory is that these were a little less clear-cut at the time.[16]

James takes a broader approach, emphasizing the developing country supply-side phenomena—China's entry into the world trading system, an imbalance of savings and surpluses, the growth of developed

[14] Arthur Salter, *Toward a Planned Economy* (John Day, 1934).

[15] I subsequently wrote an account of this period, partly to clarify in my own mind what had actually happened. Alan Bollard, *Crisis: One Central Bank Governor and the Global Financial Collapse* (Auckland University Press, 2012).

[16] As New Zealand central bank governor during the period I attended many international meetings where these tools were debated and developed. (Coming from a country with a small economy, I was little more than an observer, though as an open trader and as the first financial trading system to open in the world each morning, these policy tools were crucial for New Zealand.) Two memories stick in my mind: after Federal Reserve Chair Ben Bernanke explained what we would now call "quantitative easing," I enquired how the central bank would ultimately be able to reduce the size of its balance sheet. Bernanke replied that the financial instruments would ultimately sell-off in the market and he saw no problems in achieving a recalibration. Bank of England Governor Mervyn King explained how the UK Government was having to take an ownership stake in several British banks. Asked whether the government would be forced to become a long-term owner, he assured me there could be rapid sell-downs. I offer these examples not to say these central bankers were wrong, but to show how little we knew at crucial moments in the "fog of war."

country fiscal debt, and competing visions of globalization. As far as this was a financial crisis with a very long economic tail, this seems appropriate.

It is challenging for a historian to address such a recent event as the "Great Lockdown" of the COVID years, but James wraps it into his story as a negative supply shock. The passage of more time could have helped his analysis, since he cannot judge the major (and confusing) economic after-shocks—initially high uncertainty, increased saving, a big shift in the composition of demand, significant productivity shocks (e.g., Zoom, work from home), inflation, and surprisingly strong labor markets. James also misses the opportunity to compare the pandemic with the 1918–1919 global influenza outbreak or other epidemics in history.

Compared to the objectives laid out at the start, James's last shock chapter is inconclusive and appears to have been hastily written. James barely touches on climate change, but one has the impression that this topic could qualify for a future edition ("Eight Crashes"?).The concluding chapter entitled "The Next Great Globalisation," does not make claim to a general theory. This is wise given James's broad agreement with Carmen Reinhart and Kenneth Rogoff that each time really is different.[17] And James is not one to claim that globalization has peaked or is in decline—he sees it as a fluid concept, continually in movement, which is a more sophisticated view than some of the modern writing.[18]

In my view, both the attraction and the weakness of the book stem from the heterogeneity of the seven crashes and their treatment: while they are fascinating, it is difficult to draw general conclusions.

[17] Carmen Reinhart and Kenneth Rogoff, *This Time is Different: Eight Centuries of Financial Folly* (Princeton University Press, 2009).
[18] For example, Yanis Varoufakis, *The Global Minotaur: America, the True Origins of the Financial Crisis and the Future of the World Economy*, (Zed Books, 2011).

Review by D'Maris Coffman, University College London

John Maynard Keynes's *General Theory of Employment, Interest, and Money* bequeathed to economists and economic historians a robust understanding of the role of aggregate demand in determining an economy's levels of unemployment, economic output, and inflation, and in doing so inaugurated macroeconomics as a discipline. Management of aggregate demand, with the aim of smoothing periodic booms and busts in modern economies, has in the intervening decades been accomplished by a range of fiscal and monetary policy tools.[1] Bitter disputes between Monetarists, who generally favored monetary policy as the best policy lever, and Keynesians (of different stripes) who usually preferred fiscal policy, also turned on methodological disagreements as well as theoretical disputes; these eventually gave way the Neoclassical Synthesis, which in amended form, as the New Neoclassical Synthesis, still dominates much macroeconomic policymaking today.[2] Although macroeconomists have remained aware of the possibility of supply shocks, these were usually treated as exogenous. This made sense, given the reliance of most modern economies on the importation of energy fuels and raw materials, as endogenous shocks were those which arose from within national economics. Thus, supply shocks were rarely the focus of macroeconomic theory let alone policymaking; moreover, empirical studies generally concluded that "financial crises are predominantly a negative shock to demand," which in terms of international economic flows resolve themselves through fluctuations in real exchange rates.[3]

In *Seven Crashes: The Economic Crises That Shaped Globalization*, Harold James offers an ambitious and readable corrective to this consensus by arguing that those economic crises which had their genesis in supply shocks often proved influential in reconfiguring the international economic order and in shaping the dynamics of globalization and de-globalization. This book is nothing if not timely. Just over a decade after the Great Financial Crisis (2007–2008), the global economy faced the COVID-19 pandemic and the outbreak of the Russo-Ukrainian War, both involving propagation of supply chain shocks, apparent de-coupling of China and Russia from western economies, and mounting shortages of strategic resources in the face of rapidly growing digital economies and climate change. These developments seem to harken back to end of the First Age of Globalization in the early twentieth century, which tragically culminated in successive world wars.

Drawing generalizations from anatomizations of financial crises has become something of a genre, and James follows the usual conventions of its most judicious examples, focusing on consequences rather than causes, thereby avoiding a common pitfall of leveraging hindsight to prescribe policy recommendations suited to past crises and not to future ones.[4] Where James excels is in mobilizing contemporary accounts

[1] John Maynard Keynes, *The General Theory of Employment, Interest and Money* (Macmillan, 1936).
[2] D'Maris Coffman, "Introduction," in *Great Economic Thinkers*, Jonathan Conlin, ed. (Reaktion Books, 2018), 15-17; Olivier Blanchard, *Macroeconomics*, 8th ed. (Pearson, 2021).
[3] Felipe Benguria and Alan M. Taylor, "After the Panic: Are Financial Crises Demand or Supply Shocks? Evidence from International Trade," *American Economic Review: Insights* 2:4 (2020): 509-526.
[4] See Charles P. Kindleberger, *Manias, Panics and Crashes: A History of Financial Crisis* (MacMillan, 1989); William Quinn and John D. Turner, *Boom and Bust: A Global History of Financial Bubbles* (Cambridge University Press, 2020); Nicholas Dismdale and Anthony Hotson, eds., *British Financial Crises Since 1825* (Oxford University Press, 2014).

from influential figures, including German economist Karl Marx in the 1840s and 1870s and English economist William Stanley Jevons and Austrian economist Carl Menger in the 1870s to narrate events through the voices of those who contemporaneously grappled with them analytically. In doing so, James illustrates in chapters 1 and 2 how these decade-long crises catalyzed conceptual shifts in economic theory (in this case the development of Marginalism) alongside the growth and development of networked transport and communications infrastructure that ultimately, but not without business failures and hardship, facilitated global trade in grain and raw materials (72-80). Chapters 3 and 4 examine respectively the inflationary consequences of World War I and how the supply shock it represented precipitated the Great Depression. In doing so, James lays bare the logics of de-globalization.

Chapters 5, 6, and 7 explore Inflation of the 1970s, the Great Recession in the wake of the Global Financial Crisis, and what James dubs "The Great Lockdown" of the COVID-19 pandemic (257-306). Chapter 5, in particular, is helpful to expert and lay readers alike in locating the turn away from Keynesianism in response to the inflationary pressures of the 1970s and the near-exclusive focus on monetary stabilizers in mainstream macroeconomics for the decades that followed. The triumph of the neoclassical critiques of Keynes underpinned the Washington Consensus with its orthodoxy of free trade, which spurred what critics have called "neoliberal" globalization, in juxtaposition to the "liberal" globalization of the Belle Époque.[5] Chapter 6 depicts then chairman of the Federal Reserve Ben Bernanke following the examples of earlier chapters on Marx and Jevons. This is helpful rhetorically as Bernanke was a major contributor to debates about macroeconomic policymaking in the wake of the Great Depression with his "debt-deflation" hypothesis.[6] The painful economic performance of Japan after the Asian Financial Crisis offers a cautionary tale (241-248). Chapter 7 examines former US Secretary of the Treasury Larry Summers as James explores the economic consequences of the COVID-19 lockdowns and Summers's framing of the Secular Stagnation hypothesis, in which he argues that in the long-term market economies (exemplified by the United States) may experience low-growth and chronic unemployment due to inadequate aggregate demand.[7] Although it is unknown what the longer-term structural changes the pandemic catalyzed, the much-anticipated General Crisis never materialized (257-306). James concludes by imploring economists and policymakers to dispense with an over-reliance on aggregates, and instead to utilize advances in data science to spark a revolution in evidence-based policy, a theme he picks up again in his concluding remarks.

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[5] Dani Rodrik, *The Globalization Paradox: Why Global Markets, States, and Democracy Can't Coexist* (Oxford University Press, 2011); Paul Bowles, "Globalization and Neoliberalism: A Taxonomy and Some Implications for Anti-Globalization," *Canadian Journal of Development Studies/Revue canadienne d'études du développement* 26:1 (2005): 67-87.
[6] Ben S. Bernanke, "Nonmonetary Effects of the Financial Crisis in the Propagation of the Great Depression," *The American Economic Review* 73:3 (June 1983): 257-276; Bernanke, "The Macroeconomics of the Great Depression: A Comparative Approach," *Journal of Money, Credit, and Banking* 27 (1995): 1-28; Bernanke and Harold James, "The Gold Standard, Deflation, and Financial Crisis in the Great Depression: An International Comparison," in R. Glenn Hubbard, ed., *Financial Markets and Financial Crises* (University of Chicago Press, 1991), 33-68. These three essays are reprinted in Coffman and Larry Neal, eds., *The History of Financial Crises: Critical Concepts in Finance*, 4 vols. (New York: Routledge, 2014).
[7] Lawrence H. Summers, "Demand Side Secular Stagnation," *American Economic Review* 105:5 (2015): 60-65.

To judge *Seven Crashes* on its own terms is to return to the seven lessons advanced in the introductory chapter to appraise how much support they find in the discussions that follow. Of these, the first lesson, that "turning points of globalization in a world that is industrialized and interconnected do not resemble each other" is well-demonstrated (24). The second lesson, "that lessons drawn from a previous crisis often stand in the way of effective solutions to a new problem" rings true from James' narrative arc, with the caveat that macroeconomic policymaking, which aims at managing mundane, geographically localized demand crises, has delivered unprecedented economic growth and stability in the postwar period. The third lesson that "global supply shocks make for an awareness of the importance of global supplies" would be banal but for the way James uses the observation to explain nationalist responses to crises around food, energy, and vaccine security. The fourth, that "negative supply shocks also lead to price rises" is not surprising, but James vividly explains the political logic and likely perils of typical government responses (24). The fifth and sixth lessons, that negative supply shocks "push in the direction of national self-sufficiency or even autarky" and that "negative demand shocks tend to be deflationary" once again have a straightforward economic logic, but they play out sharply in the examples he chooses (25). James's final lesson about the dangers of allowing inflation to run to manage supply shocks is salutary, especially on the eve of the 2024 American presidential elections, but hardly stands as the most important lesson of this book (24-25).

Though there is a great deal to admire in Harold James's magisterial weaving of economic history, economic theory, and economic thought to deliver new insights about the seven crashes that have variously defined the modern age, there remains some ambiguity about what, exactly, the book is meant to convey about economics and what economists can learn from these crises. The answer in this wide-ranging work is usually that *it depends* on a range of dynamic factors that are often best apprehended in hindsight and in developments that are at best unintended consequences of impromptu strategies by government and industry to manage crises and their *sequelae*.

Herein lies one possible critique. James alludes to the need to escape over-reliance on economic aggregates and systems of national accounting that developed in the post-World War II era. What his book does not do is consider the origins of supply shocks, particularly in industrial sectors and their propagation amongst them. There is no discussion of Wassily Leontief and input-output modelling, which arose out of a need to understand and characterize intersectoral interdependencies.[8] Models of circular flows of national economies constituted of primary, secondary, and tertiary sectors originated with François Quesnay's *Tableau économique* of 1856 and remain influential today, especially as Environmentally Extended Input–Output Analysis is the main tool in environmental economics in carbon accounting and in the accounting of other material flows in the economy and has been for well over a decade.[9]

[8] See for example, Wassily W. Leontief, "Quantitative Input and Output Relations in the Economic System of the United States," *Review of Economics and Statistics* 18:3 (August 1936): 105-125; Leontief, "The Economy as a Circular Flow," *Structural Change and Economic Dynamics* 2:1 (1991): 181-212.

[9] For example, Steven J. Davis and Ken Caldeira, "Consumption-based Accounting of CO2 Emissions." *Proceedings of the National Academy of Sciences* 107:12 (2010): 5687-5692.

Leontief won the Nobel Memorial Prize in Economic Sciences in 1973 for "the development of the input-output method and for its application to important economic problems."[10] Yet Leontief was by no means the only or even the first economist to appreciate the importance of intersectoral dynamics. One shortcoming of *Seven Crashes* is in the bias towards Anglophone authors (and their occasional German interlocutors) in the selection of economic thinkers used to narrate the selected episodes. As a result, French writers on business cycles, including Clément Juglar, Albert Aftalion (who is best known for the Aftalion-Clark Accelerator), and Jean Lescure, all of whom all attempt to theorize links between economic crises and business cycles, are entirely overlooked.[11]

In *Des crises generales et périodiques de surproduction* (*General and Periodic Crises of Overproduction*), Jean Lescure undertook a systematic investigation of successive crises (and the interlinkages between them), pairing narrative accounts in Volume I with analysis in Volume II of the causes and potential remedies.[12] Lescure's overall ambition in this work is similar to that of *Seven Crashes*, but he focuses attention not only on what are now regarded as inflationary and deflationary pressures, but also on intersectoral interdependencies by which transmission and contagion occur, and through which the transformation of economic and social structures can occur. What is missing from James's account is an awareness that aggregate dynamics, especially on the supply side, depend upon patterns of multi-layered interdependence, which are themselves amenable to measurement and formal modelling, and which react in variegated ways to macro-level policy interventions.

Among the strengths of *Seven Crashes* is that it offers a glimpse at the analytical purchase of moving beyond the economic aggregates that defined late twentieth-century macroeconomic policymaking. This reviewer hopes that those who answer the call will return to early twentieth-century theoreticians of intersectoral interdependencies in the hopes of promoting more useful ways of understanding both long and short-term structural economic change, whether produced by innovation, demography, ecological crisis, or the disjunctures and ruptures associated with economic and financial crises. Successful attempts to do so should also help us better understand the winners and losers, and thus the political economy, of globalization.

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[10] The Sveriges Riksbank Prize in Economic Sciences in Memory of Alfred Nobel, 1973, https://www.nobelprize.org/prizes/economic-sciences/1973/summary/.

[11] The best known of these is Juglar. For a recent treatment, see Daniele Besomi, "Clément Juglar and the Transition from Crises Theory to Business Cycle Theories," in *A Conference on the Occasion of the Centenary of the Death of Clement Juglar*, *Revue Européenne des Sciences Sociales* (2005); Besomi, "'Periodic Crises': Clément Juglar Between Theories of Crises and Theories of Business Cycles," in *A Research Annual* (Emerald Group Publishing Limited, 2010), 169-283.

[12] Coffman, Nicholas Di Liberto, and Ali Kabiri, eds., *General and Periodic Crises of Overproduction* (English Translation of Jean Lescure's *Des crises generales et périodiques de surproduction*) (Anthem Books, 2023).

Review by Eric Helleiner, University of Waterloo

Seven Crashes: The Economic Crises that Shaped Economic Globalization is a fascinating and thought-provoking book. Harold James has already written very important analyses of the history of economic globalization, including his 2002 *The End of Globalization* which detailed its collapse in the 1930s.[1] In the latter, James challenged those who believed that globalization was an irreversible process, offering what he called "a more sober and more pessimistic assessment." This earlier book was published shortly after the 1999 "Battle in Seattle" that shut down the launch of a new round of World Trade Organization (WTO) negotiations. James was focused then on what he called "the Seattle scenario–the circumstances in which globalism breaks down."[2]

Seven Crashes updates James's views on the subject in the wake of the COVID-19 pandemic. Once again, he sets out to challenge the view that globalization is "an inexorable self-driving process," arguing that it needs to be seen instead as "an uneven and erratic development, shaped by collective response to disruptions and crises" (2). But *Seven Crashes* offers a more optimistic reading of globalization's future. This optimism not only departs from the darker tone of *The End of Globalization* but also challenges much conventional wisdom. For many contemporary analysts, the pandemic has reinforced a crisis of globalization that began with the 2007–2008 global financial meltdown. Those pundits noted that the meltdown ushered in an era of "slowbalization" in which the growth of cross-border lending and trade decelerated in comparison to the previous three decades.[3] The pandemic then challenged globalization further by disrupting supply chains and strengthening a post-2008 political backlash against globalization, including among policymakers who are now seeking to boost their country's resilience against external shocks. Pessimism about globalization's future was then reinforced by the Russian invasion of Ukraine in 2022 and its accompanying sanctions and geopolitical tensions. In this context, prominent analysts such as Martin Wolf have been prompted to echo James's earlier speculation about an "end to globalisation."[4]

In *Seven Crashes*, however, James does not agree. His distinctive view emerges from the deep historical canvas of his analysis. While *The End of Globalization* focused primarily on the 1930s crisis, this new volume examines seven economic crises that shaped globalization dating back to the 1840s. This *longue durée* perspective enables him to show that the implications of economic crises for globalization have varied considerably across time. To be sure, some crises have challenged globalization, such as those in the 1930s and the 2007–2008 global financial crisis. But others, such as those in the 1840s and the 1970s, have had the opposite effect. As James writes, "some sorts of globalization crises lead to more, rather than less, globalization: they produce a new energy for communication and innovation" (3).

[1] Harold James, *The End of Globalization: Lessons from the Great Depression* (Harvard University Press, 2002).

[2] James, *The End of Globalization*, 1-2.

[3] Aiyar Shekhar, Anna Ilyina, et al., *Geoeconomic Fragmentation and the Future of Multilateralism*, Staff Discussion Note SDN/2023/001 (International Monetary Fund, 2023), 6.

[4] Martin Wolf, "Geopolitics Threatens Globalisation," *Financial Times*, 2 November 2022.

To explain these differences, James argues that it is necessary to distinguish between economic crises involving demand-side shocks versus those associated with supply-side shocks. The 1930s and the 2007-8 crises challenged globalization because they involved negative demand shocks. By contrast, the 1840s and 1970s crises embodied negative supply shocks, namely a food crisis in the former case and an energy crisis in the latter. While "negative demand shocks push in the direction of national self-sufficiency or even autarky," James argues that "negative supply shocks make for an awareness of the importance of global supplies" (24-25). That awareness is triggered by price spikes that spur "a search for alternatives: new products, but also new mechanisms to move goods" (15). James argues that ever since the emergence of new technologies and forms of communications in the nineteenth century, globalization has provided a potential solution of the problem of securing more robust sources of supply.

He shows how this crisis-induced globalization was often fostered by the implementation of technologies that already existed, such as steam-powered transportation in response to the 1840s crisis or the container shipping and computers in response to the 1970s crisis. The role of an economic crisis in this context was to foster a transformation that "revolutionizes thinking" in ways that encouraged the widespread application of these technologies (1). James also highlights the role of states in encouraging this process, including by reshaping property rules. In his words, crises created a new "mental map" about the relationship between human technology and the world not just in the private sector but also amongst policymakers who were prompted to start "reimagining politics and political order" (21, 311).

Building on this fascinating comparative historical analysis, James turns to the pandemic-induced global economic crisis. He acknowledges existing arguments about its potential deglobalizing effects but emphasizes that the crisis "has aspects comparable to previous negative supply shocks" because it generated widespread scarcities in sectors such as food, computer chips, and medical supplies (23). As in the past, this negative supply shock has prompted price movements that James argues are already encouraging the new application of technologies that could foster greater global economic integration. In contrast to those who see the current moment as a "Great Crisis of Globalization,"[5] James anticipates a future of "the Next Great Globalization" (307).

From his standpoint, this is to be welcomed: "Technology and globalization, in combination gave powerful answers, as they had in past crises. The lesson then was as simple as it is now: globalization improved lives" (315). He urges voters and citizens to think about "how the uncertainty can be turned into an opportunity rather than a threat" (25). He also encourages economists not to "fight the last war" and to recognize how the boosting of aggregate demand will not solve the supply-side problems generated by the crisis (and may generate destabilizing inflationary pressures) (13). Instead, he argues, this crisis requires a more micro-oriented kind of "nano-enomics" that focuses "less on thinking about aggregates than on the micro-adjustments being made on a very local and particular basis" (311, 23).

These arguments are stimulating. Interspersed amongst them are also many fascinating details, such as the German origins of the word "crash" ("krach") in the 1870s or the influence of the pandemic on electric dog-

[5] Zoltan Pozsar, "War and Industrial Policy," *Investment Solutions and Sustainability*, *Global*, 24 August 2022, 7.

washing booths (52, 269). Equally interesting are the vignettes of economic thinkers ranging from Karl Marx and Stanley Jevons to John Maynard Keynes and Larry Summers. In some cases, James combines his evaluation of historical figures with lessons for the current day, as in the case of his harsh judgement of the early twentieth century ideas of the German politician and economist Karl Helfferich and their relevance to contemporary modern monetary theory.

Given the grand historical sweep of the book, it is inevitable that some questions will be raised by readers. For example, some might ask about James's choices of "crashes" on which to focus. The international debt crisis of the early 1980s receives no attention, despite the importance of its management for the trajectory of globalization in that era.[6] The same is true of the financial crises of the 1990s, including the severe 1997–1998 Asian crisis that was highlighted in *The End of Globalization*. The failed Seattle WTO meeting in 1999 that interested James at that earlier moment is also bypassed. And some might wonder whether more could be said about China's 2001 entry into the WTO as a key "shock" to the world economy—perhaps with some parallels drawn to the supply-side shock in the 1870s?[7] If these other "crises" suggest that a wider possible case selection, how well might they fit into James's overall analytical schema and argument?

Some questions also might be raised by James's differentiation of economic crises based on supply-side or demand-side shocks. Are there alternative ways to differentiate economic crises that might help explain how they shape globalization in distinct ways? One popular alternative among scholars of international political economy is to focus on the presence or absence of a hegemonic leader. Following Charles Kindleberger, these scholars suggest that its presence is likely to reduce the threat to globalization posed by economic crises, while its absence is likely to exacerbate the threat.[8] In what ways might this different typology of economic crises influence the interpretation of the outcomes of the "Seven Crashes"? For example, when discussing the 1970s crisis, James focuses more on the 1973 energy shock than developments such as the 1971 "Nixon shock," arguing that "eventually the world moved to greater global integration in order to secure more and more robust sources of supply" of energy and commodities (22). This focus is understandable in the context of James's interest in highlighting the supply-side nature of the crisis. If the focus were instead on the changing nature of US leadership, however, might a more prominent place be given in the analysis to the Nixon shock, as well as to the changing nature of US leadership after the election of Ronald Reagan as president in 1980?[9]

This issue of how best to characterize crises also arises in a broader way in contemporary debates about the future of globalization. While James centers his narrative on the supply-side shock associated with pandemic in order to analyze that future, some scholars suggest that globalization is threatened by a wider

[6] See, for example, Miles Kahler, ed., *The Politics of International Debt* (Cornell University Press, 1986).

[7] For the "China shock," see David Autor, David Dorn, and Gordon Hanson, "The China Shock: Learning from Labor-market Adjustment to Large Changes in Trade," *Annual Review of Economics* 8 (2016): 205-240.

[8] Charles Kindleberger, *The World in Depression, 1929–1939* (University of California Press, 1973). For a recent application of the theory by a scholar of international political economy, see Matthias Matthijs, "Hegemonic Leadership is What States Make of it: Reading Kindleberger in Washington and Berlin," *Review of International Political Economy* 29:2 (2022): 371-389.

[9] See, for example Jonathan Kirshner, *American Financial Power after the Financial Crisis* (Cornell University Press, 2014)

"polycrisis" involving a cluster of distinct and interacting crises whose effects are tending to reinforce each other.[10] These crises include not just the pandemic but also others such as the Ukraine war, growing US-China geopolitical rivalry, climate change, and even a crisis of democracy. Some of these crises receive little attention in James's analysis. Others are mentioned briefly but their implications for globalization's future are not explored in much depth. For example, James briefly suggests that climate change will promote globalization because "global threats should produce global responses," but are other kinds of responses to climate change, such as the European Union's carbon border adjustment mechanism, challenging globalization (4)? Near the start of the book, James also acknowledges that growing geopolitical tensions are undermining globalization and notes "there is thus a need to rely on other, privately produced dynamics that may hold the world together." But some readers might hope for a more detailed discussion of whether private initiatives will be "sufficient to solve major supply constraints" in the context of intensifying geopolitical rivalry (4-5).

If globalization is indeed threatened by this kind of polycrisis rather than just a pandemic-induced supply-side economic shock, its prospects may be less rosy than James suggests. It is not just the mutually reinforcing nature of the effects of these multiple crises that is significant. Equally important is the fact that existing global institutional arrangements seem ill-suited to address this kind of cross-cutting, multidimensional polycrisis. In *The End of Globalization*, James emphasized that globalization can be undermined not just by factors such as financial instability and political backlash, but also by "weaknesses in institutional regulation."[11] This important analytical point may be particularly relevant to exploring globalization's prospects in the context of weakly-governed global polycrisis.

Although *Seven Crashes* does not engage with the idea of a polycrisis, its analysis is still extremely useful to those who are interested in this concept. One of the core lessons that James draws in the book is the following: "the turning points of globalization in a world that is industrialized and interconnected do not resemble each other. Each moment of crisis challenges individuals, businesses, and governments in new and unprecedented ways, and leads to a redrawing of the mental map" (24). If a global polycrisis is upon us, this lesson usefully encourages all scholars to recognize the novel nature of the current moment. Even more important, it highlights the urgency of developing new "mental maps" to guide us through the "new and unprecedented" challenges we are experiencing. As James shows so well, both scholars and policymakers have a decidedly mixed record in performing this task in response to crises in the past. We can only hope they will do a better job this time around.

[10] Adam Tooze, *Shutdown* (Viking, 2021); Tooze, "Welcome to the World of the Polycrisis," *Financial Times*, 29 October, 2022; Mathew Davies and Christopher Hobson, "An Embarrassment of Changes: International Relations and the COVID-19 Pandemic," *Australian Journal of International Affairs* 77:2 (2023): 15-68; Eric Helleiner, "Economic Globalization's Polycrisis," *International Studies Quarterly* (forthcoming).
[11] James, *End of Globalization*, 6.

Review by Kathryn C. Lavelle, Case Western Reserve University

At a unique moment when transnational commerce has spread to nearly every corner of the earth, and global migration has reached levels not seen since the end of World War II, the concept of globalization is increasingly under fire from politicians who scramble to navigate rising nationalism juxtaposed with the worldwide operations of markets, states, and individuals. In *Seven Crashes: The Economic Crises That Shaped Globalization*, eminent economic historian Harold James steps into this milieu and offers a novel study of the origins of globalization in economic crises that is certain to be an important addition to the canon.

In James's view, globalization has been contingent on the process of collective responses to the disruption and chaos that accompany seven crisis moments since the industrial revolution in Europe. As with any discussion of globalization, definitions matter. Whereas Joseph Stiglitz views globalization as "The removal of barriers to free trade and the closer integration of national economies,"[1] Dani Rodrik limits it to "enhanced trade and financial integration."[2] Jagdish Bhagwati expands it to include diverse forms of international integration, including foreign trade, multinational direct foreign investment, movements of short-term portfolio funds, technological diffusion, and cross-border migration.[3] James's definition incorporates wide elements of social change into the strictly economic or financial interpretation. Moreover, he argues that globalization has both an economic dimension involving the flow of goods, labor, and capital, as well as a conceptual one insofar as ideas also cross borders (5). While some may emphasize the ideas of the great economists such as Adam Smith, David Ricardo, and Friedrich Hayek, others look to interests as drivers of explanations (9). James's inclusion of ideational, political and technological components allows him to move beyond studies that place, perhaps, too much emphasis on the Great Depression of the 1930s and evaluate the longer-term learning curves that extend beyond a crisis (13-23).

Toward this end, James has selected seven distinct critical moments that have shaped globalization in the twenty-first century. They span the agrarian crisis in Europe of the mid-nineteenth century to the COVID lockdown of 2020–2022. James's treatment delves most deeply into the experiences of the Western industrial powers in these crises, which he has selected to demonstrate the particular relevance of supply crises. He argues that these are moments when fundamental items such as food or fuel become scarce, prices rise, and new channels of production and distribution are required. Thus, politics must respond to the challenge of dramatic price movements and the responses lead to revolutions in both governments and business organizations (2). James's insight is that even though such crises may appear to instigate dramatic breaks from globalization, some crises can have the opposite effect and lead to more integration when they produce new energy for communication and innovation (3).

Seven Crashes draws a strong distinction between a supply and a demand shock. A supply shock changes the ability of producers to produce. Such shocks move the price level and output in opposite directions, with

[1] Joseph E. Stiglitz, *Globalization and Its Discontents* (W. W. Norton, 2002), ix.
[2] Dani Rodrik, *One Economics, Many Recipes: Globalization, Institutions, and Economic Growth* (Princeton University Press, 2007), 195.
[3] Jagdish Bhagwati, *In Defense of Globalization* (Oxford University Press, 2004), ix.

positive shocks increasing inputs and lowering prices, and negative shocks reducing inputs and increasing prices. Demand shocks affect buying. A positive shock leads to more economic activity, whereas a negative one diminishes activity (14). With his emphasis on supply shocks and their responses, James offers a rival explanation to theorists who posit that globalization has been driven by technological revolutions in transportation by rail and ocean or other factors.[4]

The first of his three cases precede the Great Depression. They examine the famine of the 1840s, the crash of 1873, and World War I with its subsequent inflation, respectively. They focus on the nature of the supply crises at hand and then move to the prominent economic thinkers who helped to shape the direction of future action. In these early chapters, James uses his impressive knowledge of European economic history to its best advantage by providing a good mix of detail and structure, as well as the lives of major economists.

The fourth chapter considers the Great Depression within the context of global corporations and banks. James emphasizes the role of John Maynard Keynes as both an economist and policy maker in addition to the bankers of the time who worked on increasing access to credit, which had collapsed. The case also begins to delve into the role of institutions in globalization and crises such as the economic section of the League of Nations and the early International Monetary Fund (IMF) within the Bretton Woods system that followed the war. Having included an ideational component in his understanding of globalization, James includes a discussion of the individual figures who shaped the response and behavior of subsequent generations. In the twentieth and twenty-first century, these were all academic economists who played a significant role in public life, allowing him to connect thinkers such as Keynes to US Treasury Secretary Lawrence Summers (21-23).

The fifth chapter moves closer to the present age and grapples with the issue of inflation. James's argument about the connections between supply crises and globalization comes into sharper focus here, as he moves nearer to contemporary macroeconomies. James reviews the history of the inflation of the 1970s and the seeming inability of governments to address it. He argues that "it appears paradoxical that the oil shock in the end created more globalization rather than a turn to economic nationalism" (185). He reviews how a new kind of financialization emerged, one that transferred the oil producers' profits to international banks that, in turn, lent it globally. In addition, the revolution in containerization drove the movement further forward. Milton Friedman and Friedrich von Hayek figure prominently as two authors who pushed against the philosophy that led to the 1970s (189).[5]

The sixth and seventh cases make the connections among action, institutions, and thinkers even clearer. The sixth reviews the Great Recession and economists such as Carmen Reinhart and Kenneth Rogoff. Multilateral cooperation in formal and informal institutions play a greater role in this retelling as countries debate the level of funding the IMF should receive, as well as the policy coordination mechanisms in the

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[4] Bhagwati, *In Defense of Globalization*, 11.

[5] James's analysis here focuses heavily on Milton Friedman and Anna Schwartz, *A Monetary History of the United States, 1867–1963* (Princeton University Press, 1963) and Friedrich A. von Hayek, Business Cycles, ed. Hansjoerg Klausinger, vol. 8 of *Hayek Works* (University of Chicago Press, 2012) and Hayek's *The Road to Serfdom* (Routledge, 1944).

G20.[6] The Great Lockdown, covered in the seventh chapter, returns to the theme of a supply crisis as COVID disrupts supply chains and destabilizes labor markets. Summers emerges as the thinker "equivalent to Keynes at the beginning of the century" (294). Throughout all of these cases and in his conclusion, James argues that supply shocks make, and then remake, globalization (307). In responding, governments and firms must figure out how to supply people with necessities. The actions that follow this generate contradictory responses; nonetheless, learning occurs.

Written by a noted scholar of German and European economic history,[7] *Seven Crashes* is important for what it covers. It offers an impressive retelling of the events and individuals who have contributed to the new problems posed by industrialization. Yet in considering the phenomenon of globalization, it challenges the reader to think about what it leaves out. Two dimensions come to mind: the effects of these crises on the parts of the world outside of the US and Europe, and the types of people who are affected by these crises.

With respect to the first of these dimensions, one might question what territory constitutes the "global." Depending on the interpretation, the process of integration of the world economy through trade, finance, and firms began much earlier than the 1840s.[8] Colonialization played an important role in these connections, and colonial territories contributed to the manner in which industrialization unfolded in the West. While crises in these parts of the world may not have developed into global ones before the late 1990s, understanding how James views their position and contribution might deepen his later discussion of inflation in the 1970s.

It could be argued that what were then called "Third World" economies experienced mostly positive performance from the end of World War II through the 1950s and 1960s. They were tied to the long booms in industrial countries, which meant rising demand for raw materials, full employment and trade liberalization, stable exchanging rates, and rising levels of aid and private capital flows in absolute—if not relative—terms.[9] Oil is an important part of the story to these countries as well as those in the industrial core. The financialization that James discusses, which recycled oil profits through international banks, had a dramatic effect on many countries that were eager to engage in import-substituting industrialization development strategies. However, the growing inflation and tighter monetary policies in Western economies that followed was translated into lower growth and rising unemployment in developing countries. As the effects of the crisis wore on, the results were lower prices for raw materials and rising interest rates. A series of sovereign defaults followed, which destabilized the international banking system.

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[6] The G20 or Group of 20 is an intergovernmental forum comprising nineteen sovereign countries, the European Union, and the African Union. It works to address major issues related to the global economy.
[7] For some examples, see Harold James, *The German Slump* (Clarendon Press, 1986); *International Monetary Cooperation Since Bretton Woods* (Oxford University Press, 1996*); The Deutsche Bank and the Nazi Economic War against the Jews* (Cambridge University Press, 2001).
[8] For some examples, see Randall D. Germain, *The International Organization of Credit: States and Global Finance in the World Economy* (Cambridge University Press, 1997); James H. Mittelman, *The Globalization Syndrome: Transformation and Resistance* (Princeton University Press, 2000); Kathryn C. Lavelle, *The Politics of Equity Finance in Emerging Markets* (Oxford University Press, 2004).
[9] E. A. Brett, *The World Economy Since the War: The Politics of Uneven Development* (Praeger, 1985), 193.

Later, the IMF and World Bank imposed austerity measures.[10] Responses included renewed calls for a New International Economic Order (NIEO) that would reshape the playing field and eventually the restructuring of developing countries' sovereign debt through the Brady Plan, which augmented the ongoing process of international securitization as a form of financial intermediation.[11]

The varied effects of the oil shocks and inflation in different parts of the world, combined with the lingering political ties of the former colonial powers, created a different kind of economic nationalism and ideational push against market allocation in many national and international forums.[12] These developments matter because they point to the growing lack of consensus concerning the benefits of trade and financial liberalization that predate these same developments in the Western economies.

With respect to the types of people affected by economic transformation, some authors look to class and gender as categories that experience change differently. For example, Robert Heilbroner points out that after the economic revolution, working people could strive to better their material lot.[13] The upshot is that for the first time in history, they could more beyond tradition (or passing tasks from generation to generation) and/or authoritarian command (i.e., a leader insisting that a worker complete a task) in order to meet their needs for survival. However, even Heilbroner overlooks the fact that the concept of "making a living" operates very differently for men than it does for women in most parts of the world. That is, it varies according to the amount and type of opportunities the wage-labor market offers for work that societies assign to women disproportionately. Women do most of the world's back-breaking work of carrying water and firewood, cooking, and caring for children. However, they are generally not compensated for this work with a wage, and prohibitions on their land tenure continue to exist around the world. Most of their economic status is not obtained by striving, but by their connections to spouses or family status. Differences in their entrance into the world where one must "make a living" are frequently left out of the economic histories of the phenomenon.

Nonetheless, globalization and the attendant economic changes from previous generations brought important shifts in women's labor participation in the US and Europe, particularly in the broader social movements of the postwar era. The later crises depicted in James's account had differential effects on them. During what James terms the "Great Inflation" of the 1970s, American women's formal labor force participation—which had been rising steadily since 1948—rose dramatically from 43.2 percent in February of 1970 to 51.6 percent in January of 1980.[14] Job loss and growth was also not the same for men and women

[10] Brett, *World Economy*, 195.
[11] Lavelle, *Legislating International Organization: The US Congress, the IMF, and the World Bank* (Oxford University Press, 2011), 118.
[12] Stephen D. Krasner, *Structural Conflict: The Third World Against Global Liberalism* (University of California Press, 1985).
[13] Robert L. Heilbroner, *The Worldly Philosophers: The Life, Times, and Ideas of the Great Economic Thinkers*, seventh ed. (Touchstone, 1999), 24.
[14] "Women in the Labor Force," *The Fred Blog*, *St. Louis Fed*, 8 March 2021, https://fredblog.stlouisfed.org/2021/03/women-in-the-labor-

during the Great Recession.[15] While men lost more jobs initially, they gained more when the job growth reversed. Many of these differences can be attributed to the industries that sustained the most dramatic job loss during the initial phase of the recession.

Similarly, the "Great Lockdown" of 2020–2022 elicited public worries about women's labor force participation since women cared for children home from school and other relatives during the pandemic. The decline in participation echoes other points James makes about the pandemic's effects on inequality (274-275), and the larger decrease in labor force participation by Black women and Latinas than for White women. However, the labor force participation rate for women ages 25 to 54 recovered since then, and was 77.6 percent in May of 2023, 0.6 percent higher than it was in February of 2020.[16]

Perhaps these topics are far afield from James's intent in writing the book. When including any group of thinkers, one could always question those who are left out because every book has boundaries in coverage. Moreover, how anyone defines "globalization" plays a major role in the elements that are included and excluded from the story of how it came about. Extending the analysis in these directions would most likely only serve to reinforce James's premise. In sum, *Seven Crashes* offers a very compelling and thought-provoking contribution to economic history on the topic and will certainly be included in significant discussions long into the future.

force/?utm_source=series_page&utm_medium=related_content&utm_term=related_resources&utm_campaign=fredblog.

[15] Hilary Wething, "Job Growth in the Great Recession Has Not Been Equal Between Men and Women," *Economic Policy Institute, Working Economics Blog*, 26 August 2014, https://www.epi.org/blog/job-growth-great-recession-equal-men-women/.

[16] "Labor Force Participation Rate for People Ages 25 to 54 in May 2023 Highest Since January 2007," *TED: The Economics Daily, Bureau of Labor Statistics*, 7 June 2023, https://www.bls.gov/opub/ted/2023/labor-force-participation-rate-for-people-ages-25-to-54-in-may-2023-highest-since-january-2007.htm.

Response by Harold James, Princeton University

I am very grateful to the H-Diplo round of panelists, each of whom has both carefully considered and presented the basic argument and structure of *Seven Crashes*. They make some fascinating suggestions and criticisms that challenge me, but at the same time make me inclined to restate some parts of the overall case. Indeed, the fundamental interpretation of turning points in a non-continuous process of global integration is that some—negative supply shocks—create social, political, and institutional unsettlement that drive a new and productive connectivity, across borders and globally. In that sense they are genuinely transformative, and not easily captured by static models or approaches.

Eric Helleiner usefully calls attention to the now popular, indeed fashionable, term, "polycrisis." It was developed in the 1990s by the French philosopher Edgar Morin, politically deployed by European Commission President Jean-Claude Juncker, and then turned into a globally viral meme by Adam Tooze in the midst of a literally (as well as metaphorically) viral challenge to globalization after 2020.[1] I do have an extensive consideration of the terminology of crisis in what is in effect a companion book to *Seven Crashes*. My account in *The War of Words* originally contained a chapter on the seven turning points, which my very gifted publisher at Yale, Seth Ditchik, correctly thought did not fit with the other chapters, which were concerned primarily with the vocabulary with which globalization has been discussed.[2] A friend in German publishing, Detlef Felken, at C.H. Beck, then suggested that the omitted chapter would provide the basis for an overall account of the phenomenon of modern globalization. The vocabulary we use to talk about globalization has a critical effect on the way we respond. Morin in the 1990s, at a moment when many supposed that history had reached a Fukuyamian end,[3] thought that every domain of human existence had become haunted by the idea of crisis: capitalism, society, the couple, the family, values, youth, science, law, civilization, and humanity.[4] There existed dangerous feedback loops, ruptures of regulation, and the mortal perils of ecological devastation and nuclear conflict.

Crisis is derived from the Greek for choice (*krinō*): it was used classically as a way of describing a turning point, often in a disease, when the patient turned—to death, or alternatively to recovery. And poly comes from *polis*, which broadly means "a state or society especially when characterized by a sense of community." The plural is *polloi*, and we perhaps should speak of "polloicrises." Reinhart Koselleck, the great historian of *Begriffsgeschichte* (concepts), described the trajectory of the term crisis: "Such a tendency towards imprecision and vagueness, however, may itself be viewed as the symptom of a historical crisis that cannot as yet be fully gauged."[5] In short, there was an inflationary over-expansion of the term even when there was

[1] See Edgar Morin and Anne Brigitte Kern, *Terre-Patrie* (Seuil, 1993).
[2] Harold James, *The War of Words: A Glossary of Globalization* (Yale University Press, 2021).
[3] A reference to Frances Fukuyama's claim that the collapse of the Soviet Union represented the "the end of history." Fukuyama, *The End of History and the Last Man* (Free Press, 1992).
[4] Morin and Anne Brigitte Kern, *Terre-Patrie*; Morin, "Pour une crisologie," *Communications* 25 (1976): 149-163.
[5] Reinhart Koselleck, "Crisis," trans. Michaela W. Richter, *Journal of the History of Ideas* 67:2 (2006): 399.

not much of an economic crisis; and the over-use of crisis and poly-crisis is actually itself a symptom and a signal of crisis. The idea is full of what some financial investors, notably George Soros, term reflexivity.[6]

In fact, crisis and polycrisis are not that new. They are embedded in the human psyche, and thus also in human history. One of the characteristics of the profound shock generated by negative supply shocks, in the aftermath of famine, disease, and war—the premodern horsemen of the apocalypse—is that the sentiment of disaster makes all challenges seem linked. Another famous premodern example is Shakespeare's Claudius in *Hamlet* lamenting that "When sorrows come, they come not single spies but in battalions."[7] The end of the Roman empire, with imperial over-expansion, the failure to provision large cities, escalating inequality, famines, and external attacks, was surely a poly-crisis. In the 1340s, after debt defaults by states, above all by the English monarchy, and the bankruptcy of the major houses of the then financial center of the world, Florence, there was more war, and in the aftermath of war, the Black Death came to Europe—and Florence. The contemporary version of globalization was savagely interrupted.

For the time span covered by *Seven Crashes* (1840–2022), the late 1840s saw the concurrence of multiple crises: harvest failure, most famously the Irish potato famine, epidemic disease in the wake of hunger (typhus), and then cholera coming from the East, and generalized social and political unrest. The great Cambridge historian Christopher Clark indeed conceived of 1848 in his brilliant recent book, as a polycrisis. He concludes: "All governments face insoluble problems—that is what government is for. It is in the nature of political problems that they cannot be 'solved'."[8] Many complex national stories suddenly became intertwined and interacted with each other as the result of a galvanizing shock.

It is possible to see the apparently separate strands of crisis narrative since 2020 in exactly this way. Without COVID and the attention it drew to supply constraints and bottlenecks, Russian President Vladimir Putin's Ukraine strategy of 2022 would not be plausible. We now know that Russia was restricting gas supplies in the winter of 2021-22 in order to make Europe, and especially Germany, more vulnerable to an energy blackmail. The Kremlin's calculation at that time was that the onslaught of 24 February 2022, would be a fait accompli.[9] The Houthi movement in Yemen, like Putinism, emerged out of the political strains of the 1990s: but after 2020, supply problems, and the publicity given to the effect of the stranded ship *Ever Given* in the Suez Canal taught the terror movement that it too could place its hands on the world's jugular.[10]

D'Maris Coffman emphasizes interconnectivity in a different sense, of sectoral interdependence. She would have liked me to say something about more French writers, in particular Clément Juglar, Albert

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[6] George Soros, "Fallibility, Reflexivity, and the Human Uncertainty Principle," *Journal of Economic Methodology*, 13 January 2014, https://www.georgesoros.com/2014/01/13/fallibility-reflexivity-and-the-human-uncertainty-principle-2/.

[7] William Shakespeare, *The Tragedy of Hamlet, Prince of Denmark* (Simon & Brown, 2011 [1601]).

[8] Christopher Clark, *Revolutionary Spring: Fighting for a New World 1848–1849* (Allen Lane, 2023), 342.

[9] Jospeh Nye, "Old and New Lessons from the Ukraine War," *The Strategist*, 7 June 2024, https://www.aspistrategist.org.au/old-and-new-lessons-from-the-ukraine-war/.

[10] Bryan Pietsch, "Houthi Attacks Upend Trade as Ships are Forced Long Way Around Africa," *Washington Post*, 21 December 2023, https://www.washingtonpost.com/world/2023/12/21/red-sea-shipping-houthi-suez/.

Aftalion, and Jean Lescure, as well as the great Soviet economist Wassily Leontief, the pioneer of input-output modelling.[11] She is right that these men all attempted to theorize links between economic crises and business cycles, and then she adds the reflection that such linkages should have been the focus of my book. But that was not what my account was trying to analyze, nor was my narrative in any sense a search for the economist with the best explanation of any phenomenon. That consideration, rather than an attempt at intellectual ranking, is why I chose some economists rather than others to document my reaction to the seven crashes.

Instead, each chapter of the book ends with a brief portrait of one or several figures who shaped the response to a crisis moment. I sought to take figures who were not necessarily great economists. Some of the iconic figures, including Karl Marx and Karl Helfferich were rather bad economists; Friedrich von Hayek, whom both John Maynard Keynes and Milton Friedman considered a poor economist but a great political philosopher, nevertheless received the Nobel Prize in Economics. Rather than looking for the heroes of the field, I wanted to find figures who not only interpreted the crises and turning points, but also had a profound impact. The outcome of their interpretations in many of the cases I examined resulted in amplified disaster and many deaths. By contrast, I do not believe that anyone died as a result of the interpretations of Juglar, Aftalion, Lescure, or Leontief. Soviet leader Joseph Stalin's planners shut down Leontief because he did not fit with their deadly concept of control. Lescure (1882–1947) has remained much less well known than his namesake, the poet (1912–2005), though thankfully Lescure's work is no longer so obscure thanks to an edition and translation by Professor Coffman.[12]

Coffman's main point ,in her call for more attention to French thinking, is that I miss the way in which sectoral interdependence generates supply shocks in manufacturing. Studying the precise interconnections in the framework of Leontief-inspired input-output matrices is clearly a task that presented computational difficulties when the method was pushed by Leontief (and Lescure) in the early twentieth century: think of solving hundreds of simultaneous equations with paper and pencil. We now have enough computers. But the problem that input-output methods miss, which is also occurs in the crucial field of climate science, is the extent to which new technologies create radically new ways of operating. The framework, as Coffman suggests in her recall of the eighteenth century French master Quesnay, is fundamentally static.[13] Scarcity, and the geopolitical challenges it creates, generates a heightened push for workarounds and alternatives: the motivation for actions that lead to structural change is created by scarcity and prices.

Related to this issue of interdependence and the transformation of supply is another tough problem: how the turning points relate to each other. Several panelists think that I have missed out the biggest of all positive supply shocks, the East Asian miracle, or the rise of China, and thus the beginning of the China shock, conventionally dated to China's accession to the World Trade Organization (WTO) in 2001. In one

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[11] See for example, Wassily W. Leontief, "Quantitative Input and Output Relations in the Economic System of the United States," *Review of Economics and Statistics* 18:3 (August 1936): 105-125.

[12] D'Maris Coffman, Nicholas Di Liberto, and Ali Kabiri, eds., *General and Periodic Crises of Overproduction* (English Translation of Jean Lescure's *Des crises generales et périodiques de surproduction*) (Anthem Books, 2023).

[13] For example, Steven J. Davis and Ken Caldeira, "Consumption-based Accounting of CO_2 Emissions," *Proceedings of the National Academy of Sciences* 107:12 (2010): 5687-5692.

sense I am of course guilty, and this positive shock was indeed the main feature of globalization in the late twentieth and early twenty-first century. But in another way, I am not, in that what the book tries to show is how the new philosophy of openness grew out of the disruptions and discussions about reordering of the 1970s, including the idea of a New International Economic Order, as propagated by many political and intellectual figures in what were then referred to as "developing countries." In particular, the critical event, which is a central part in the book's narrative, is the onset of Chinese Premier Deng Xiaoping's reforms in 1979 (at the same time as the Federal Reserve Chair Paul Volcker shock and the election Prime Minister Margaret Thatcher in the United Kingdom). The positive supply shock of the late twentieth century globalization episode thus followed from the negative supply shock of the 1970s. There is a repetition of the nineteenth century pattern, where I do indeed treat the negative (1840s) and the positive (1870s) supply shocks separately: the expansion of trade launched agricultural production across the world, in a way that brought down prices in the older industrial countries and adversely affected the farmers there. It is a neat parallel to the late twentieth century, in which the spread of manufacturing across the world adversely affected the earnings of manufacturers in the industrial countries, who then turned to demand protection.

Another "missed" turning point is the Second World War. Why, given that there is a chapter on the First World War is there not a similar treatment of the later conflict, which was both more destructive and more global, with an Asian war that already began in 1937 (at the latest), is it not discussed in the book? The answer is that I saw the economic crisis of the early 1930s, the Great Depression, as completely intertangled with the rise of a radical new economic nationalism, and a zero-sum vision of the world, which led to war in 1937 in Asia and in 1939 in Europe. The makers of the postwar order saw this connection very clearly, and Treasury Secretary Henry Morgenthau put the point very clearly in 1944 at the Bretton Woods conference of the United Nations, that prosperity and peace were indivisible.[14]

Alan Bollard is a distinguished practitioner, and beautifully recalls in his analysis how decisions, in his case monetary policy choices, are made in the "fog of war." Indeed. The purpose of my book was to suggest that the fog can lead—indeed, after 2020, did lead—to incorrect assessments, in that the character of the supply shock, and its likely effect on prices, was not taken seriously by the policy community. He makes my case that a sense of history might help, and that in this case, it would have been better if he and his colleagues had looked at the 1970s, or indeed the mid-nineteenth century, rather than at the vastly different demand shock of the 2008 so-called Global Financial Crisis.

He also has favorite economists whom he would have liked me to include, notably the great Austrian and then Harvard figure, the quite legendary Joseph Schumpeter. Schumpeter was a much greater economist, and for that matter a better finance minister, than Karl Helfferich, and his thought, like that of Lescure, might be genuinely productive and helpful today. The case that Schumpeter has a superior insight into how the credit mechanism helps to choke off credit to old enterprises while opening the taps to the new

[14] Department of State, United Nations Monetary and Financial Conference: Bretton Woods, Final act and related documents, 1 July to 22 July 1944 (United States Government Printing Office, 1944), 3-6.

economy in the famous process of "creative destruction" has been recently made by a number of distinguished interpreters.[15]

Kathryn Lavelle's conclusion that "how anyone defines 'globalization' plays a major role in the elements that are included and excluded from the story of how it came about" is surely correct. There is also a broad trend, she notes, that is of enormous importance: the process of globalization extends the global community of those engaged in work, and that the greater inclusion of women in the formal, paid, workforce is the most striking instance of the phenomenon, and one which completely transforms societies. Societies that do not want to embrace that change put themselves under a great handicap in the competitive race to improve incomes and living standards. They find crises–or polycrises–especially challenging: and the outcome may be a considerable revolution of politics and economy.

As is the theme of *War of Words*, we are at a new turning point of understanding, as well as of economic behavior. Poly itself became a meme of the 2020s. The new fascination with an old phenomenon, polyamory, has generated its own literature. The polyamorous psychotherapist Jessica Fern has pioneered titles such as *Polysecure* and *Polywise*.[16] The Edgard Morin parallel between individual small-scale crises and world events continues to be suggestive. China and the United States have embarked on the "conscious uncoupling" that Gwyneth Paltrow used to describe her changing relationship with Chris Martin.[17] Terms used for personal life became usable at the elevated level of broad political trends. Perhaps then, in a quite different way than Fern intended, we might deploy her vocabulary on the world stage. We face polynegative supply shocks. And they teach the lessons that eventually may make for greater, not less, polysecurity.

[15] See Peter Bofinger, "Keine Angst vor dem unternehmerischen Staat," *Die Zeit*, 16 February 2023.

[16] Jessica Fern, *Polysecure: Attachment, Trauma and Consensual Nonmonogamy* (Thorntree Press, 2020); Fern, with David Cooley, *Polywise: A Deeper Dive into Navigating Open Relationships* (Thornapple Press, 2023).

[17] Paltrow appropriated the phrase from Diane Vaughan. See *Uncoupling: Turning Points in Intimate Relationships* (Oxford University Press, 1986).