**Yale SOM**

**MGT 890, ECON 363, Law 2015**

**The Global Financial Crisis**

**Final Paper Topics and Partial Resource List**

***1) Should the Federal Reserve have aggressively raised interest rates to try to tame the housing bubble?***

Bernanke, Ben. January 2010. “Monetary Policy and the Housing Bubble.” Speech at the Annual Meeting of the American Economic Association, Atlanta, Georgia.

<http://www.federalreserve.gov/newsevents/speech/bernanke20100103a.htm>

Greenspan, Alan. March 2009. “The Fed Didn’t Cause the Housing Bubble.” *Wall Street Journal*.

<http://iepecdg.com.br/Arquivos/Leiturassugeridas/090311_greenspan_fed_housing_bubble.pdf>

White, Lawrence. Winter 2009. “Federal Reserve Policy and the Housing Bubble.” *Cato Journal*.

<http://heinonline.org/HOL/LandingPage?handle=hein.journals/catoj29&div=12&id=&page=>

***2) Should the Bank of England have bailed out Northern Rock?***

Hall, Maximilian. August 2008. “The Sub-Prime Crisis, the Credit Squeeze and Northern Rock: the Lessons to Be Learned.” *Journal of Financial Regulation and Compliance*.

<https://ideas.repec.org/p/lbo/lbowps/2008_09.html>

Shin, Hyun Song. Winter 2009. “Reflections on Northern Rock: the Bank Run that Heralded the Global Financial Crisis.” *Journal of Economic Perspectives*.

<http://www.jstor.org/discover/10.2307/27648296>

Yorulmazer, Tanju. February 2008. “Liquidity, Bank Runs and Bailouts: Spillover Effects during the Northern Rock Episode.” Federal Reserve Bank of New York working paper.

<http://papers.ssrn.com/sol3/papers.cfm?abstract_id=1107570>

***3) Did regulators do the right thing in allowing Lehman Brothers to fail? Did they really have a choice?***

Financial Crisis Inquiry Commission. “Too Big to Fail: Expectations and Impact of Extraordinary Government Intervention and the Role of Systemic Risk in the Financial Crisis, Session 2: Lehman Brothers.”

<http://fcic.law.stanford.edu/videos/view/51>

Kohn, Donald. May 2010. “The Federal Reserve's Policy Actions during the Financial Crisis and Lessons for the Future.” Speech at the Carleton University, Ottawa, Canada.

<http://www.federalreserve.gov/newsevents/speech/kohn20100513a.htm>

Stewart, James. September 2009. “Eight Days: the Battle to Save the American Financial System.” *New Yorker*.

<http://www.newyorker.com/magazine/2009/09/21/eight-days>

Valukas, Anton. April 2010. “Statement by Anton R. Valukas, Examiner, Lehman Brothers Bankruptcy Examiner before the Committee on Financial Services United States House of Representatives Regarding ‘Public Policy Issues Raised by the Report of the Lehman Bankruptcy Examiner’.”

<http://democrats.financialservices.house.gov/media/file/hearings/111/valuks_4.20.10.pdf>

***4) Should the Federal Reserve have rescued AIG? What would have happened if AIG had been allowed to fail?***

Financial Crisis Inquiry Commission. January 2011. *The Financial Crisis Inquiry Report, Chapters 19-20*.

<http://www.gpo.gov/fdsys/pkg/GPO-FCIC/pdf/GPO-FCIC.pdf>

Financial Stability Oversight Council. July 2013. *Basis of the Financial Stability Oversight Council’s Final Determination Regarding American International Group, Inc.*

[*http://www.treasury.gov/initiatives/fsoc/designations/Documents/Basis%20of%20Final%20Determination%20Regarding%20American%20International%20Group,%20Inc.pdf*](http://www.treasury.gov/initiatives/fsoc/designations/Documents/Basis%20of%20Final%20Determination%20Regarding%20American%20International%20Group%2C%20Inc.pdf)

Public Broadcasting Service. “The Financial Crisis: the Frontline Interviews.”

<http://www.pbs.org/wgbh/pages/frontline/oral-history/financial-crisis/tags/aig/>

***5) Compare the regulatory responses in Iceland and Ireland during the crisis.***

Benediktsdottir, Sigridur, Jon Danielsson, and Gylfi Zoega. April 2011. “Lessons from a Collapse of a Financial System.” *Economic Policy*.

<http://papers.ssrn.com/sol3/papers.cfm?abstract_id=1801024>

Commission of Investigation into the Banking Sector in Ireland. March 2011. *Misjudging Risk: Causes of the Systemic Banking Crisis in Ireland*.

<http://www.bankinginquiry.gov.ie/>

Dwyer, Gerald. March 2011. “Economic Effects of Banking Crises: A Bit of Evidence from Iceland and Ireland.”

<https://www.frbatlanta.org/cenfis/publications/notesfromthevault/1103.aspx>

Lewis, Michael. April 2009. “Wall Street on the Tundra.” *Vanity Fair*.

<http://www.vanityfair.com/politics/features/2009/04/iceland200904>

Lewis, Michael. March 2011. “When Irish Eyes Are Crying.” *Vanity Fair*.

<http://www.vanityfair.com/business/features/2011/03/michael-lewis-ireland-201103>

Icelandic Special Investigation Commission. April 2010. *Report of the Special Investigation Commission*.

<http://www.rna.is/eldri-nefndir/addragandi-og-orsakir-falls-islensku-bankanna-2008/skyrsla-nefndarinnar/english/>

**6) *What do people mean by the "too-big-to-fail" problem? Has it been fixed with new laws and regulations?***

Dudley, William. November 2013. “Ending Too Big To Fail.” Remarks at the Global Economic Policy Forum, New York City.

<http://www.newyorkfed.org/newsevents/speeches/2013/dud131107.html>

Labonte, Marc. September 2014. “Systemically Important or ‘Too Big to Fail’ Financial Institutions.” *Congressional Research Service*.

<http://fas.org/sgp/crs/misc/R42150.pdf>

Financial Crisis Inquiry Commission. August 2010. *Governmental Rescues of ‘Too-Big-To-Fail’ Financial Institutions*.

<http://fcic-static.law.stanford.edu/cdn_media/fcic-reports/2010-0831-Governmental-Rescues.pdf>

## United States Senate, Permanent Subcommittee on Investigations, Committee on Homeland Security and Governmental Affairs. April 2011. *Wall Street and the Financial Crisis: Anatomy of a Financial Collapse*.

## <http://www.hsgac.senate.gov//imo/media/doc/Financial_Crisis/FinancialCrisisReport.pdf>

Verstein, Andrew and Roberta Romano. July 2011. “Assessing Dodd-Frank.” *Yale Law & Economics Research Paper*.

<http://papers.ssrn.com/sol3/papers.cfm?abstract_id=1884290>

***7) Select a past financial crisis (Panic of 1907, Great Depression, Asian Financial Crisis of 1997). How was the Global Financial Crisis of 2007-2009 similar to this crisis? How was it different?***

Bordo, Michael. December 2008. “An Historical Perspective on the Crisis of 2007-2008.” *NBER Working Paper Series*.

<http://www.nber.org/papers/w14569.pdf>

Reinhart, Carmen and Kenneth Rogoff. January 2008. “Is the 2007 U.S. Subprime Crisis So Different? An International Historical Comparison.” *NBER Working Paper Series*.

<http://www.nber.org/papers/w13761.pdf>

Reinhart, Carmen and Kenneth Rogoff. March 2008. “This Time is Different: A Panoramic View of Eight Centuries of Financial Crises.” *NBER Working Paper Series*.

<http://www.nber.org/papers/w13882.pdf>

“The Slumps That Shaped Modern Finance.” *The Economist*.

<http://www.economist.com/news/essays/21600451-finance-not-merely-prone-crises-it-shaped-them-five-historical-crises-show-how-aspects-today-s-fina>

***8) What is “shadow banking” and what role did it play in the financial crisis? Does it still pose a systemic threat to the financial system?***

Financial Crisis Inquiry Commission. May 2010. *Shadow Banking and the Financial Crisis*.

<http://fcic-static.law.stanford.edu/cdn_media/fcic-reports/2010-0505-Shadow-Banking.pdf>

Pozsar, Zoltan et al. July 2010, revised February 2012. “Shadow Banking.” *Federal Reserve Bank of New York Staff Reports*.

[www.ny.frb.org/research/staff\_reports/sr458.pdf](http://www.ny.frb.org/research/staff_reports/sr458.pdf)

## [Tarullo, Daniel. November 2013. “Shadow Banking and Systemic Risk Regulation.” Speech at](http://www.federalreserve.gov/newsevents/speech/tarullo20131122a.pdf) the Americans for Financial Reform and Economic Policy Institute Conference, Washington D.C.

## <http://www.federalreserve.gov/newsevents/speech/tarullo20131122a.htm>

***Additional General Resource***

Financial Crisis Inquiry Commission. January 2011. *The Financial Crisis Inquiry Report*.

<http://www.gpo.gov/fdsys/pkg/GPO-FCIC/pdf/GPO-FCIC.pdf>