Recalibrating Risk: Lessons From Financial Crises

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Three Crises

• Great Depression
  – UK, France, US

• Post-Bretton Woods Crises (1973 to 1997)
  – UK, Germany, US

• Global Financial Crisis
  – Europe, US
Common Themes

- Magnitude
- Time to recovery
  - i.e. length of crisis
- Proximity
  - Not only geographic
  - How similar to our system?
  - Could this happen to us?
Themes (cont.)

• Path Dependency
  – Underlying political assumptions, regulatory tools, discourse
  – Response patterns established by previous economic crises

• The Existing Policy Stream

• Cosmetic Changes
Themes (cont.)

• Framing/Narratives
• Political Entrepreneurs
  – Public interest groups, media, competing industry interests