

The Political Economy of the Special Relationship
Anglo-American Development from the Gold Standard to the Financial Crisis
Jeremy Green

Princeton and Oxford: Princeton University Press, 2020, £35 (approx) h/b

Robin Ramsay

I haven't read all of this. I am not an academic economist and some of this is hard work for a generalist like me. Nevertheless I read enough to recognise that this was important and went to the Net for information about the book. Which turned out to be rather interesting.

Green's book is an expansion of his 2013 PhD thesis which is on-line.¹ Interestingly, the thesis title is different to that of the book: *viz* 'The Political Economy of the Special Relationship: *British Development and American Power*'. (Emphasis added.)

The publisher's site carries an abstract of the book's contents. This is all but the last paragraph.

How America's global financial power was created and shaped through its special relationship with Britain

The rise of global finance in the latter half of the twentieth century has long been understood as one chapter in a larger story about the postwar growth of the United States. The Political Economy of the Special Relationship challenges this popular narrative. Revealing the Anglo-American origins of financial globalization, Jeremy Green sheds new light on Britain's hugely significant, but often overlooked, role in remaking international capitalism alongside America.

Drawing from new archival research, Green questions the conventional view of international economic history as a series of cyclical transitions among hegemonic powers. Instead, he explores the longstanding interactive role of private and public financial institutions in Britain and the United States—most notably the close links between their financial markets, central banks, and monetary and fiscal policies. He shows that America's unparalleled post-WWII financial power was facilitated, and in important ways constrained, by British capitalism, as the United States often had to work with and through British politicians,

¹ <<https://shorturl.at/3JSB8>> or <<https://yorkspace.library.yorku.ca/server/api/core/bitstreams/ffdcae7b-66c2-498e-891c-e12e724f119c/content>>

officials, and bankers to achieve its vision of a liberal economic order. Transatlantic integration and competition spurred the rise of the financial sector, an increased reliance on debt, a global easing of regulation, the ascendance of monetarism, and the transition to neoliberalism.²

There is a decent and sympathetic account of the book's thesis by Harry Whomersley, 'Transatlantic Ties',³ in which you can get the book boiled down from 280 dense pages to 3,000 words. Whomersley is Senior Fellow at the New Institute of Political Economy, whose site⁴ consists of a single screen on which there is no information other than 'Jain Family Institute' in very small letters at the bottom of the page. The site of said institute states:

JFI is a 501(c)(3) nonprofit applied research organization founded in 2014 by Bobby Jain. We work to create theory, policy designs, and practical tools that enable governments, public institutions, and regional coalitions to shape markets for the common good.⁵

And who is Bobby Jain? He's a global investment manager . . . ⁶ A hedge fund manager with a conscience? Apparently so.⁷

Back to the book. Green shows that the bankers deliberately fucked the post-war social democratic economy in the UK, starting more or less with the IMF crisis in the UK in 1976 – thus confirming my amateurish attempts to show the same thing in these columns over the last 30 years or so. Start with Whomersley's summary.

² <<https://shorturl.at/S219O>> or <<https://press.princeton.edu/books/hardcover/9780691197326/the-political-economy-of-the-special-relationship>>

³ <<https://www.phenomenalworld.org/reviews/transatlantic-ties/>>

⁴ <<https://politiceconomy.institute/>>

⁵ <<https://jainfamilyinstitute.org/>>

⁶ <https://en.wikipedia.org/wiki/Jain_Global>

⁷ See <<https://as.cornell.edu/people/robert-jain>>.

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From the gold standard to the recent global financial crisis and beyond, The Political Economy of the Special Relationship recasts the history of global finance through the prism of Anglo-American development.