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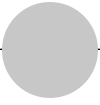
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Globalization in an Age of Crisis



**A National Bureau of
Economic Research
Conference Report**



**Globalization in an
Age of Crisis**
Multilateral Economic
Cooperation in the
Twenty-First Century

Edited by

Robert C. Feenstra and Alan M. Taylor

The University of Chicago Press

Chicago and London

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7. NBER working papers and manuscripts distributed on the Bureau's web site are not deemed to be publications for the purpose of this resolution, but they shall be consistent with the object stated in paragraph 1. Working papers shall contain a specific disclaimer noting that they have not passed through the review procedures required in this resolution. The NBER's web site shall contain a similar disclaimer. The President shall establish an internal review process to ensure that the working papers and the web site do not contain policy recommendations, and shall report annually to the Board on this process and any concerns raised in connection with it.

8. Unless otherwise determined by the Board or exempted by the terms of paragraphs 6 and 7, a copy of this resolution shall be printed in each NBER publication as described in paragraph 2 above.

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Preface

The year 2010 was the 150th anniversary of the signing of the Anglo-French Treaty of 1860, also known as the Cobden-Chevalier Treaty after its British and French negotiators. This treaty is credited as being the first to mention the “most favored nation” principle applied in a bilateral setting whereby each country would enjoy the benefits that its partner gave to any other country. The treaty is also seen by many as marking the birth of a multilateralist economic order, often taken for granted in the modern world.

Anticipating that anniversary, we felt that the time was right to host a discussion of multilateralism in both trade and macroeconomic issues. Our resolve was strengthened by the global economic crisis of 2008–2009, which posed a threat to globalization and international economic cooperation.

With generous funding from the Alfred P. Sloan Foundation, a conference to discuss these issues was held at the Bank of England on September 15–16, 2011, entitled “Globalization in an Age of Crisis: Multilateral Economic Cooperation in the Twenty-First Century.” We thank both those organizations, as well as the National Bureau of Economic Research, for enabling this discussion to go forward. From the initial concept, the NBER president, Jim Poterba; the governor of the Bank of England, Mervyn King; and Sloan’s program director, Danny Goroff, gave us their strongest support.

This volume gathers together the papers and discussion from that conference, and we would like to thank all the participants for their contributions as well as everyone who made the project possible. At the Bank of England, conference logistics and other matters were brilliantly managed by the offices of the deputy governor Charles Bean and the executive director Spencer Dale; special thanks are owed to Rohan Churm, Denise Rayner, and Katy Wilson. For warm hospitality, we will remember the Bank of England, especially the Court Room, and the Reform Club, which hosted the conclud-

ing dinner. We thank Mervyn King and Martin Wolf for their after-dinner remarks on the successive evenings, and we are pleased to include a revised version of Martin's comments as an afterword.

Our organization of this event also benefited from the assistance of Abel Bojar, London School of Economics, in transcribing the discussion from the conference tapes for this volume. At the NBER, despite the conference taking place on another continent, organization was handled with aplomb by Carl Beck's department, and the publication process has been guided as expertly as ever by Helena Fitz-Patrick.

Robert C. Feenstra and Alan M. Taylor