

'The role of finance in crises' or 'what caused the crisis' or 'the leverage cycle'

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The crisis in the Euro-area

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Leverage and (financial) crises

1. Crisis?
2. JG is right.
 - A. Asset values
 - B. Regulate – forgive (ex ante and ex post separation?)
3. Default and forgiveness.
 - A. Default?
 - B. (Optimal) forgiveness? of (private) debt. How?
 - C. Public Debt?
4. Moral hazard, credibility -- formal and informal contracts, trust
5. Regulation
 - A. Information?
 - B. Competition among regulatory policies?
6. Greece. Debt and Deficits.
7. Crisis. What may explain level and composition of public and private sector debt. Political economy.