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Youssef Cassis, Richard S. Grossman & Catherine R. Schenk eds., *The Oxford handbook of banking and financial history* (Oxford: Oxford University Press, 2016. Pp. xviii+537. 9 figs. 18 tabs. ISBN 9780199658626 Hbk. £95)

The *Oxford Handbook of Banking and Financial History* is a timely work of synthesis that consolidates the recent resurgence of scholarly interest in the long-term evolution of the global financial system. Its editors have assembled nineteen distinguished contributors to survey the economic and political history of modern finance and monetary policy in Western Europe, the United States and Asia. Subdivided into five parts, the volume is organized into an opening section on historiographical trends and four sections on the international and comparative development of financial institutions, markets, crises and regulation.

Charting the discipline's trajectory from the 1930s to the present, Youssef Cassis opens Part I with a thoughtful reflection on the thematic trends and diverse methodologies that have shaped research in financial history. Commemorative accounts of British banks, such as Sir John Clapham's history of the Bank of England (1944), laid the groundwork for a specialism that experienced its first major flourishing in the two decades after the Second World War. It was the 1980s and 1990s, however that for Cassis witnessed the 'maturing of financial history' (18) – owing not merely to the foundation, in 1994, of a dedicated journal, *The Financial History Review*, but to scholarship branching out to touch on the varied concerns of political, social and international historians. Over the past 15 years, the discipline has further diversified, with a substantial increase in literature that incorporates theoretical insights and approaches from economics and cognate disciplines in the social sciences. Cassis makes a compelling case for why studies of historical financial phenomena and institutions should be open to interdisciplinary engagement, yet should remain firmly rooted in the historian's discursive and empirical approach. Subsequent chapters by John D. Turner and Gerard Caprio, Jr. provide insightful assessments of the 'bidirectional relationship between financial history and financial economics' (41), and of the contested role of finance in economic development.

The volume's section on 'Financial Institutions' proceeds on two levels of analysis, focusing on different models of banking organization, as well as the set of financial services in which companies specialized. Cassis appraises the rise and decline of traditional private banks, and the 'renaissance' of private portfolio management during the last 30 years. The role of commercial banks in financing industry's capital needs is re-examined by Gerarda Westerhuis, who argues that the 'dichotomy between market-based versus bank-based systems' (128) and its underlying assumptions about effective credit allocation have been weakened by recent findings. In the chapter that follows, Caroline Fohlin traces the diversity of ownership and business models that investment banks have embraced over time in response to emerging market opportunities and new regulatory frameworks. Christopher Kobrak's essay differentiates between forms of cross-border financial operations, and sheds light on the advance of multinational conglomerates and modes of 'shadow banking' since the 1960s. Focusing on regional providers of credit facilities, R. Daniel Wadhvani summarizes the state of research into a wide variety of small-scale credit institutions, and their centrality both in SME financing and as suppliers of consumer and household credit.

The physical location of financial activities, and the uneven impact of global integration are central themes discussed in the section on 'Financial Markets'. Moritz Schularick presents quantitative data on the levels of capital mobility and the geographic distribution of capital flows since the first wave of globalization. Furthermore, he summarizes the existing, contradictory findings in the debate over whether openness to capital imports has positive growth effects or heightens the risk of financial instability in developing markets. Cassis surveys the evolution and competition between global financial centres, while two excellent

essays, by Stefano Battilossi and Randal C. Michie, examine the changing institutional organization and innovations in money and securities markets.

Part IV dedicates five chapters to state intervention in financial markets and the evolution of the global monetary architecture. Angela Redish's opening chapter presents an incisive history of monetary systems since the Middle Ages, and explains the accompanying gradual transition from commodity money over fiat currencies to e-monies. The subsequent contributions by Forrest Capie and Harold James address the functions, tools and conflicting policy objectives of modern central banks. James further examines the political economy of central bank cooperation from the 1920s to the present, and its differing forms and underlying philosophies. Catherine R. Schenk and Emmanuel Murlon-Druol's jointly authored chapter assesses how varying institutional set-ups and national approaches to regulation and supervision have historically been shaped by domestic and global financial shocks. Laure Quennouëlle-Corre concludes this section with a schematic analysis of the state's multiple roles as borrower, market regulator, and financier of industry and public utilities. The discussion considers the accumulation of public debt in Europe since the eighteenth century, though no more than passing reference is made to the demands of the fiscal-military state, while the political trade-offs between state borrowing and taxation are hardly explicated. Similarly, the chapter may have benefitted from engaging with recent historical studies on the relations between finance and politics, such as the growing literature on the political economy of free trade, the supervision of the Eurodollar market and the implementation of the Basel Accords.

The fifth and final section investigates the origins of and costs to the real economy from banking, currency and sovereign debt crises. Richard S. Grossman employs the analytical framework of boom-bust cycles to chart the history of banking calamities, from the early nineteenth century to the subprime mortgage crisis and beyond. Peter Temin builds his chapter on the premise that 'many so-called banking crises are in fact currency crises' (461), before proceeding to draw on the Swan diagram to analyse the conditions under which crises develop in economies with fixed exchange rates. By passing over alternative theories for the emergence of currency and twin-crises, Temin not so much surveys the current state of knowledge as offers a set of policy recommendations for Eurozone leaders. Juan H. Flores Zendejas, by contrast, presents a comprehensive review of the historical and theoretical literature on sovereign debt markets and defaults, with a particular focus on creditors' motives for overlending, and the effectiveness of sanctions on debtor nations.

By taking the volume's analysis up to the early days of the Eurozone crisis, the editors have produced a companion that largely succeeds in its declared aim of 'presenting the state of the art in banking and financial history.' (2) The decision to omit sections on the social and cultural aspects of finance is one limitation on the volume's thematic scope, which could have been further enriched by chapters on investor demographics, the role of the financial press and changing attitudes to speculation. This minor shortcoming, however, is compensated by a strong emphasis, throughout the contributions, on the structural transformations elicited by government legislation, external shocks and technological innovations. The handbook will undoubtedly become a valuable resource for students and scholars of financial capitalism, many of whom will find that its collected essays offer a critical overview of a specialism whose fortunes have ebbed and flowed with recurring financial crises.

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