

**RSIS Distinguished Public Lecture**

**"Crises, Political Populism and Wealth Shocks:  
Why Wealth Anxiety Matters for Domestic and Global Politics"**

**By**

**Professor Andrew Walter**

NTUC Professor of International Economic Relations, RSIS; and  
Professor of International Relations in the School of Social and Political Sciences,  
University of Melbourne

Friday, 4 October 2019, 2.30 – 4.00 pm  
Libra and Gemini Rooms, Level 1  
Marina Mandarin Singapore

**PROGRAMME**

- 1.45 pm**      **Guests Arrival & Registration**
- 2.15 pm**      **Guests to be seated**
- 2.30 pm**      **Introductory Remarks**  
Professor Ralf Emmers  
Dean, RSIS, and,  
President's Chair in International Relations,  
Nanyang Technological University, Singapore
- RSIS Distinguished Public Lecture**  
Professor Andrew Walter  
NTUC Professor of International Economic Relations, RSIS; and  
Professor of International Relations in the School of Social and  
Political Sciences, University of Melbourne
- Questions and Answers**
- Presentation of Memento**
- 4.00 pm**      **End of RSIS Distinguished Public Lecture**

**Dress Code: Office attire**

## LECTURE ABSTRACT

In this lecture, Professor Andrew Walter will explore how rising financial fragility and the wealth shocks associated with major financial crises have contributed to the rise of political populism in many countries. He argues these developments have had ongoing consequences for domestic politics, international relations and global economic stability. In many advanced and emerging countries subject to these shocks, dissatisfaction with mainstream politics has been rising sharply. This has threatened longstanding rules and norms of domestic and international politics, as well as prospects for peace and prosperity in Asia and beyond.

The lecture considers common explanations for these developments, including cultural backlash and rising income inequality. The role of wealth shocks and inequality warrant more attention than they have received. Households in many emerging and high income countries have become increasingly dependent on risky housing and pension wealth for access to key goods including education, healthcare and retirement services. The rising cost and limits on access to these goods have “squeezed” many households, producing growing anxiety, perceptions of rising competition for scarce resources, and sometimes threats to their social status and identity. Many see mainstream politics as having done little to address these concerns and often as exacerbating them. Populist politicians have seized on this political opportunity and produced new challenges to the domestic and international policy establishment. The lecture will also consider what, if anything, can be done to address these challenges.

The lecture develops themes addressed in Professor Walter’s new book, *The Wealth Effect: How the Great Expectations of the Middle Class Have Changed the Politics of Banking Crises* (Cambridge University Press, 2019), written with Professor Jeffrey Chwieroth of the London School of Economics and Political Science. This book was recently recommended by Martin Wolf of the *Financial Times* (London) as a best read in economics, Summer 2019. It uses extensive historical and contemporary evidence to demonstrate that the politics of major banking crises have been transformed by the “wealth effect”: rising middle class wealth has generated “great expectations” regarding government responsibilities for the protection of this wealth. It shows that crisis policy interventions have become more extensive and costly – and their political aftermaths far more fraught – because of democratic governance, not in spite of it. Using data from a large number of democracies over two centuries, and detailed historical studies of Brazil, the United Kingdom and the United States, the book breaks new ground in exploring the consequences of the emergence of mass political demand for financial stabilisation.

## ABOUT THE SPEAKER



**Andrew Walter** is Professor of International Relations in the School of Social and Political Sciences, University of Melbourne. He has M.Phil. and D.Phil. degrees from Oxford University. His previous academic positions were at Oxford University and the London School of Economics and Political Science. He has published numerous articles on the political economy of international money and finance and their governance among and within countries. His most recent book is *The Wealth Effect: How the Great Expectations of the Middle Class Have Changed the Politics of Banking Crises* (Cambridge University Press, 2019, with

Prof Jeffrey Chwieroth). His other books include *Governing Finance: East Asia’s Adoption of International Standards* (Cornell, 2008), *Analyzing the Global Political Economy* (Princeton, 2009), *China, the United States, and Global Order* (Cambridge, 2011, with Rosemary Foot), *East Asian Capitalism* (Oxford, 2012, ed. with Xiaoke Zhang), and *Global Financial Governance Confronts the Rising Powers* (CIGI, 2016, ed. with C.R. Henning). His current research projects include the politics of wealth and financialisation (with Jeffrey Chwieroth), emerging countries in global financial and monetary governance (with Randall Henning), and financialisation and populism.

## **ABOUT THE S. RAJARATNAM SCHOOL OF INTERNATIONAL STUDIES**

The S. Rajaratnam School of International Studies (RSIS) is a think tank and professional graduate school of international affairs at the Nanyang Technological University, Singapore. An autonomous school, RSIS' mission is to be a leading research and graduate teaching institution in strategic and international affairs in the Asia Pacific. With the core functions of research, graduate education and networking, it produces cutting-edge research on Asia Pacific Security, Multilateralism and Regionalism, Conflict Studies, Non-traditional Security, Cybersecurity, Maritime Security and Terrorism Studies.

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