



Unemployment, Inequality, and the Crisis in Europe

Leviathan Lecture by James K. Galbraith

June 11, 2012
8 p.m., Room A 300

followed by a panel discussion with

Prof. Dr. Michael Burda, Humboldt University of Berlin

Dr. Till van Treeck, Institut für Makroökonomie und Konjunkturforschung,
Düsseldorf

Ulrike Hermann, tageszeitung Berlin

moderated by: Thomas Fricke, Financial Times Deutschland

In September 2008, when Fannie Mae, Freddie Mac, Lehman Brother's and the giant insurance company AIG failed, home values collapsed massively, wiping out the wealth and financial security of the entire American middle class, accumulated for two-thirds of a century. The collapse of the mortgage bond and derivative markets precipitated a worldwide flight to safety, which in Europe developed into the crisis of sovereign debt for Greece, Ireland, Portugal and Spain. For James K. Galbraith, who has worked with his research group of the Texas Inequality Project for more than ten years, this crisis shows not only the power of finance but in a deep sense the connection between pay inequality and economic instability of an economy: The more inequality, the more an economy is in danger of a crisis.

James K. Galbraith teaches at the Lyndon B. Johnson School of Public Affairs of the University Austin, Texas, where he directs the University of Texas Inequality Project, an informal research group based at the LBJ School. His new book "Inequality and instability: a study of the world economy just before the great crisis" is based on the results of these studies.

He is Senior Scholar with the Levy [Economics Institute of Bard College](#) and part of the executive committee of the [World Economics Association](#), created in 2011.

To register, please reply to Reinhard Blomert: blomert@wzb.eu

Invitation

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