



Review of International Political Economy >

Volume 2, 1995 - Issue 2

2,864 87 | 13
Views | CrossRef citations to date | Altmetric

Original Articles

Explaining the globalization of financial markets: Bringing states back in

Eric Helleiner

Pages 315-341 | Published online: 09 Jan 2008

Cite this article <https://doi.org/10.1080/09692299508434322>

Sample our
Politics & International
Relations Journals
 >> [Sign in here](#) to start your access
to the latest two volumes for 14 days

References

Citations

Metrics

Reprints & Permissions

Read this article

Share

Abstract

Many accounts of the globalization of financial markets over the past three decades explain it as a product of unstoppable technological and market forces. This article emphasizes that the behaviour of states was also of central importance in encouraging and permitting the process. States are shown to have supported financial globalization in three ways: (1) granting freedom to market actors through liberalization initiatives; (2) preventing major international financial crises; and (3) choosing not to implement more effective controls on financial movements. These roles are illustrated historically through a description of five sets of episodes since the late 1950s. States are found to have increasingly embraced the globalization trend because of: a competitive deregulation dynamic, political difficulties associated with the implementation of more effective capital controls, the 'hegemonic' interests of the US and Britain, the growing domestic prominence of neoliberal advocates and internationally-oriented corporate interests, and the unusually cooperative nature of central bank interaction.

Keywords:

Finance

globalization

states

money

liberalization

capital

Related Research Data

[The Other Side of Isolationism: The Establishment of the First World Bank, 1929-1930](#)

Source: [Journal of American History](#)

[Invested interests: the politics of national economic policies in a world of global finance](#)

Source: [International Organization](#)

[Capitalism Divided?](#)

Source: [Unknown Repository](#)

[The 'Little Big Bang' in Paris: financial market deregulation in a dirigiste system](#)

Source: [European Journal of Political Research](#)

[Finance, information and power](#)

Source: [Review of International Studies](#)

[The Obsolescence of Capital Controls?: Economic Management in an Age of Global Markets](#)

Source: [World Politics](#)

[The liberalisation of capital movements and financial services in the European single](#)

Related research

[People also read](#)

[Recommended articles](#)

Cited by
87

Information for

Authors

R&D professionals

Editors

Librarians

Societies

Opportunities

Reprints and e-prints

Advertising solutions

Accelerated publication

Corporate access solutions

Open access

Overview

Open journals

Open Select

Dove Medical Press

F1000Research

Help and information

Help and contact

Newsroom

All journals

Books

Keep up to date

Register to receive personalised research and resources
by email

 Sign me up

  

  

Copyright © 2026 Informa UK Limited Privacy policy Cookies Terms & conditions

Accessibility



Registered in England & Wales No. 01072954
5 Howick Place | London | SW1P 1WG