

# Course Syllabus for Econ 40025-01

**Course Title: International Macroeconomics, Spring 2016**  
**Course Meetings: T Th 12:30-1:45 PM in 131 DeBartolo Hall**

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**Office Hours: T W Th 2-3 PM or by appointment**

## General Information

This syllabus consists of the general information on the logistics of the course and various procedures. At the end of this document is a class-by-class outline of the material as I expect to cover it over the course of the semester. Remember, many graduate programs require a syllabus to transfer credit for courses taken at the undergraduate level, so please retain a copy of this syllabus for your records.

This class assumes knowledge of content from Econ 10010, 10020, 30010, and 30020.

## Contact Policy

The best way to reach me is either by e-mail or during office hours. I will respond to e-mails within a 24 hour period on weekdays or by Monday evening if the question was posed on a weekend. You are also more than welcome to call my office number during weekdays at (574) 631-1054. If I am around at the time, I will answer.

## Honor Code

Any behavior not in compliance with Notre Dame's Academic Code of Honor will be dealt with according to the consequences for violation contained in the Honor Code: <http://honorcode.nd.edu/>

## Title IX

Please note that all professors are considered mandatory reporters of harassment and discrimination by Title IX law. Mandatory reporters are responsible for reporting all Title IX violations of sex-based discrimination and sexual harassment, including sexual violence, stalking/dating violence, and child sexual abuse. This means that if students disclose cases that meet this definition in written or verbal communication, I am obligated to report that to our Title IX office so they can help provide support and track such incidents. I welcome your deepest sharing but also want you to understand that all professors are bound to this law.

## Sakai

I will be making use of the web-based program, Sakai, to which all registered students should have access. It can be accessed via insideND. Lecture slides, problem sets, pre-class assessments, etc. will all be available on this site.

## Learning Goals

Upon successful completion of this course, you will be able to

1. Solve and analyze models of international macroeconomic interactions such as current account balances, foreign direct investment, exchange rates, sovereign debt, sudden stops, and speculative attacks/market sentiment
2. Use these models to infer policy implications and predict potential future events

3. Perform external validation exercises on models to judge their usefulness (aspirational)
4. Read, understand, and analyze news articles regarding issues of international macroeconomics
5. Describe and analyze how different sorts of crises arise, propagate, and are resolved

## Textbooks and Readings

Most substantive content and many problem set questions will come from Obstfeld and Rogoff's "Foundations of International Macroeconomics." Those seeking other resources may find Feenstra and Taylor's "International Macroeconomics," 2<sup>nd</sup> Edition useful. There will not be direct assignments or lectures coming from this book, but it can act as a great supplemental resource for understanding the material, since some parts of the Obstfeld and Rogoff text can be a bit heavy and other assigned readings are not explanatory in nature but designed to generate discussion.

I will also post news and journal articles to read on Sakai from week to week.

## Take-Home Exams

There are 4 take-home exams that together constitute 30% of the final grade: In chronological order, they are weighted as follows: 8%, 9%, 8%, and 5%. Take-home exams will be collected in lecture on dates specified below. Each take-home exam is graded for completion and content and is an important part of your final grade. Completed problem sets must meet the following neatness standards or 40% of the points for that assignment will be deducted before any grading even begins.

- Take-Home Exams must be either typed and printed or clearly written on *graphed or line paper* (it is generally easier to show your work if you hand-write your assignments, but both are acceptable).
  - Why show your work? First, it helps you to organize your thoughts. Second, it is easier to administer partial credit for incorrect answers
- No frayed edges on the paper whatsoever.
- The paper used must be the standard size of 8.5x11 inches.
- Paper must be **stapled** or **clipped** together in order
- Pencil and pen (blue or black, not red) are both fine so long as the writing is clear and legible

Take-home exams must be submitted *upon your arrival to class* on the day they are due. There is to be no working on them in class, but if something comes up and you are late to class, you will be allowed to hand them in upon your arrival. Take-home exams may be handed in any time in the week after that at a 50% penalty. I encourage you to attempt them yourself, but working with others is allowed. I require only that every student must submit his or her own assignment and write the names of all of his or her collaborators at the top.

Take-Home Exams are meant to test your grasp of the models about which we learnt in class. This is only one of the class goals, however; the interpretation and application of these models is done principally through class discussion, in-class quizzes, and the crisis paper. Practice exams and solutions will be provided.

## Crisis Paper

50% of your final grade will be determined by a term paper written for this course, which I call the 'Crisis Paper.' For this paper, you will take an international macroeconomic crisis of your choice and write a detailed analysis of it. There are many, many examples of events that were categorized as crises: The Latin American crisis of the mid-1980's, the Asian crisis of 1997, the Russian default of 1998, the Eurozone crisis of 2010, etc. Choose **one** crisis episode for **one** country. Productive discussion with your peers is encouraged and it may in fact be that two or more students choose the same incident, but collaborative projects are not allowed.

In particular, you are expected to address the following questions:

- Where and when did the crisis occur? What was the historical and international context? What makes the event a crisis?
- Who were the key policymakers (domestic and foreign) during, before, and after the crisis? What role did they play and what were their opinions on different measures proposed/taken?
- What was the behavior of key macroeconomic and financial indicators before, during, and after the crisis? Which were the most salient? Which distinguished this event from other crises?
- What are the dominant theories surrounding the crisis? Was it generally thought of to be fundamental in nature or did market sentiments play a role? Did domestic politics play a role in either the development or the amplification of the crisis?
- Which institutions were involved? Which were domestic and which were external? What role did these institutions play in alleviating or worsening the crisis and why?
- What role (if any) did policy in the preceding era play in the development of the crisis? Which policies were employed during the crisis? Were they effective or not? Why?

I want to emphasize that this paper will in fact be an *argumentative paper*. You are expected to stake a claim regarding some critical aspect of the crisis and present an argument in support of your position. This is not intended to be a mere summary: Address all of the above questions with your overarching argument in mind. The claim does not need to be new, but you need to argue for it yourself. For instance, one might argue that the crux of the 1994 Tequila crisis was the inability to roll over short-term debt: Political forces and trade liberalization were important insofar as they led to an accumulation of this type of debt in the preceding years.

You can support your argument by

- 1) Citing work from other scholars, e.g. papers, scholarly articles, or books. IMF staff reports, discussion notes, and publications are a great place to look as well. The World Bank has a similar set of resources, as do many central banks.
- 2) Performing simple, direct empirical inference on data from the country itself the country's central bank website is often a great place to start looking for such data; or the Penn World Tables, which are on Sakai; the library also has some nice global databases at <http://libguides.library.nd.edu/friendly.php?action=82&s=datastats>.

I encourage you to use terminology and concepts from class in your paper as you interpret these readings; this will help to make it very clear to me that you are not plagiarizing any material.

I particularly encourage any International Economics majors (or any bilingual students), to reference contemporaneous primary sources in the native language of the country. Reading these primary sources will help to give a clearer idea of the local reaction and understanding of the events as they played out.

The first 10% of this grade will come from a proposal due the **last class before Spring Break**. Here, I am looking not so much for content as for a well-constructed plan, 3-5 pages in length, of how you intend to proceed with the paper. At a minimum, you will describe here the crisis you chose, why you chose it, and what makes it a crisis.

The next 5% comes from meeting with me *at least once* during the semester either during office hours *or* handing in a first draft of your paper before April 14<sup>th</sup> (minimum 10 pages). A first draft must differ substantially from the proposal to receive credit, but it does not need to be a finished work. A first draft will receive comments but will only be graded for completion and not for content.

The remaining 35% will come from the final paper, which will be due by the end of our scheduled final exam slot in lieu of a final exam. *You may hand in the paper earlier if you so choose.* This paper must be 15-25 pages in length.

Formatting: 12-point Times New Roman font, 1.5-spaced, 1-inch margins, and pages numbered. Please include a bibliography/list of references in the style of the American Psychological Association (APA). The references do not count for or against the page requirement of either the proposal or the paper.

## Participation

Active participation in class is required and worth 10% of the final grade. To grade this component, each student will start the semester with a full 10%. If you do not participate sufficiently in class discussions, then your grade in this category will fall to 5%. If you do not participate at all, then it will fall to 0%. I will notify any students who are at risk for these grade drops *before they happen* to give them a chance to amend the problem. If you do not hear from me directly regarding this issue during the semester, you will receive a 10%.

Participation will be measured as follows: Every class will begin with an approximately 20 minute discussion of some assigned readings (found on the syllabus). At the beginning of class, I will randomly call on two students to summarize two of the readings. This is not intended to be a pop-quiz of any kind; rather it is intended to incentivize all of the students to read the material so that we can have productive conversations.

## In-Class Quiz

There will be three In-Class Quizzes throughout the semester. They will comprise 10% of your grade. The first two quizzes will be worth 3% and the third will be worth 4%. For each quiz, I will give you an article to read in class and then a set of questions to which to respond in a paragraph or two, addressing an issue raised in the article with tools and ideas learned in class.

## Grading

Your grade will be decomposed of the following:

Take-Home Exams.....	30%
In-Class Quizzes.....	10%
Participation.....	10%
Midterm Proposal.....	10%
Meeting/First Draft.....	5%
Final Paper.....	35%

There will be no curve for this class. The grade decomposition from the final grade will be as follows:

- A: 93-100
- A-: 90-92.9
- B+: 87-89.9
- B: 83-86.9
- B-: 80-82.9
- C+: 77-79.9
- C: 73-76.9
- C-: 70-72.9

- D: 60-60.9
- F: Less than 59.9

Proposal and paper grades will be graded on a letter scale, with the implied number grade for purpose of aggregation determined by the midpoint of each interval e.g. a B on a paper will translate to 85. The only exception would be an A+, which will imply a 100. This could be a paper grade but it cannot be a course grade because it cannot be entered into the registrar.

## Re-grade Policy

If you believe a grading error has occurred and would like to request a re-grade, you are welcome to do so. However, a request for a re-grade must contain both the assignment itself and a brief paragraph *in writing* explaining why you believe you deserve a re-grade. Also, re-grades will only be allowed for *one week* after the problem set or paper has been handed back to you. Afterward, all grades are final, even if an error occurred. Also, be aware that your grade could go down as well as up if additional mistakes are found, since re-grading is a comprehensive process.

## Assignment Timeline

- Feb 4<sup>th</sup>: Take-Home Exam 1 Due
- Feb 11<sup>th</sup>: In-Class Quiz 1
- Mar 3<sup>rd</sup>: Crisis Paper Proposal Due, Take-Home Exam 2 Due
- Mar 17<sup>th</sup>: In-Class Quiz 2
- Apr 5<sup>th</sup>: Take-Home Exam 3 Due
- April 14<sup>th</sup>: In-Class Quiz 3, Rough Draft Due (optional)
- Apr 26<sup>th</sup>: Take-Home Exam 4 Due
- May 4<sup>th</sup>, 12:30 PM (End of Final Exam Slot): Crisis Paper Due

## Content Covered (Subject to Change)

Readings listed below the date are expected to be read by that date. They will be updated as the semester progresses a few weeks in advance to include potentially new material.

1. Introduction and Benchmark Model (Feenstra and Taylor Chapters 5-6)
  - a. Jan 12<sup>th</sup>: Brief Syllabus Discussion and Discussion of Economics as a Science
    - i. Time permitting: Discuss Benchmark Model I
  - b. Jan 14<sup>th</sup>: Benchmark Model I: Endowment Economy
    - i. Monacelli “An Extensive but Benign Crisis?” Aug 2007, voxeu.org
      1. <http://www.voxeu.org/article/extensive-benign-crisis>
    - ii. Eichengreen and O’Rourke, “A Tale of Two Depressions: What do New Data Tell Us?,” Feb. 2010 Update, voxeu.org
      1. <http://www.voxeu.org/article/tale-two-depressions-what-do-new-data-tell-us-february-2010-update>
2. Start with “Start of Original Column” and then read higher sections

- iii. Obstfeld and Rogoff, Chapters 1.1
- c. Jan 19<sup>th</sup>: Benchmark Model II: Adding Investment and Production
  - i. Obstfeld and Rogoff, Chapter 1.2
  - ii. “Oil Embargo, 1973-1974”, Oct 2014. U.S. Department of State, Office of the Historian
    - 1. <https://history.state.gov/milestones/1969-1976/oil-embargo>
  - iii. Sims and Romero, “Latin American Debt Crisis of the 1980’s,” Nov. 2013, [federalreservehistory.org](http://federalreservehistory.org)
    - 1. <http://www.federalreservehistory.org/Events/DetailView/46>
- d. Jan 21<sup>st</sup>: Benchmark Model III: Global Equilibrium
  - i. Obstfeld and Rogoff, Chapter 1.3
  - ii. Yanis Varoufakis, “The Global Minotaur,” Chapter 3.
    - 1. <https://varoufakis.files.wordpress.com/2011/02/chapter-3-the-global-plan.pdf>
  - iii. Alesina and Perotti, “Germany Spending is not the Cure,” Aug 2010, [voxeu.org](http://voxeu.org)
    - 1. <http://www.voxeu.org/article/germany-spending-not-cure>
- e. Jan 26<sup>th</sup>: Benchmark Model IV: Government Interference
  - i. Obstfeld and Rogoff, Chapter 1.4
  - ii. Druck, Magud, and Mariscal “Collateral Damage: Dollar Strength and Emerging Markets’ Growth,” Aug 2015, [voxeu.org](http://voxeu.org)
    - 1. <http://www.voxeu.org/article/strength-dollar-and-emerging-markets-growth>
  - iii. Burns et al. “Unconventional Monetary Policy Normalization and Emerging-Market Capital Flows,” Jan 2014, [voxeu.org](http://voxeu.org)
    - 1. <http://www.voxeu.org/article/tapering-and-emerging-market-capital-flows>
- f. Jan 28<sup>th</sup>: Benchmark Model V: Infinite Horizon (lecture given by Ruediger Bachmann)
  - i. Obstfeld and Rogoff, Chapters 2.1-2.2
  - ii. De Grauwe, “Greece is Solvent but Illiquid: Policy Implications,” July 2015, [voxeu.org](http://voxeu.org)

1. <http://www.voxeu.org/article/greece-solvent-illiquid-policy-implications>
- iii. Wyplosz, “The New European Union,” July 2015, voxeu.org
  1. <http://www.voxeu.org/article/new-european-union>
2. Exchange Rates, Central Bank Activity, and Currency Crises (Feenstra and Taylor Chapters 1-4,7-9)
  - a. Feb 2<sup>nd</sup>: Tradables and Non-Tradables
    - i. Obstfeld and Rogoff, Chapters 4.1-4.2
    - ii. Robert Atkison, “What Really Is Competitiveness?,” theglobalist.com
      1. <http://www.theglobalist.com/really-competitiveness/>
    - iii. Song, Storesletten, and Zilibotti, “The ‘Real’ Causes of China’s Trade Surplus,” voxeu.org
      1. <http://www.voxeu.org/article/real-causes-china-s-trade-surplus>
  - b. Feb 4<sup>th</sup>: Tradables and Non-Tradables
    - i. Obstfeld and Rogoff, Chapters 4.1-4.2
    - ii. Mark J. Perry, “Manufacturing’s Declining Share of GDP is a Global Phenomenon, and It’s Something to Celebrate,” uschamberfoundation.org, 2012
      1. <http://www.uschamberfoundation.org/blog/post/manufacturing-s-declining-share-gdp-global-phenomenon-and-it-s-something-celebrate/34261>
    - iii. Ghani, Kerr, and Segura, “Informal Tradables and the Employment Growth of Indian Manufacturing,” voxeu.org, 2015
      1. <http://www.voxeu.org/article/employment-growth-indian-manufacturing>
  - c. Feb 9<sup>th</sup>: Demand and Output: GDP and GNP
    - i. Obstfeld and Rogoff, Chapter 4.3
    - ii. Bertola and Lo Prete, “Labour Market Reforms and International Imbalances,” voxeu.org, 2015
      1. <http://www.voxeu.org/article/labour-market-reforms-and-international-imbances>

- iii. Bartelsman, di Mauro, and Dorrucchi, “Eurozone Rebalancing: Are We on the Right Track for Growth? Insights from ComNet Micro-Based Data,” [voxeu.org](http://voxeu.org), 2015
      - 1. <http://www.voxeu.org/article/impact-structural-reforms-eurozone-firm-level-data>
- d. Feb 11<sup>th</sup>: Consumption and Price Indices
  - i. IN-CLASS QUIZ #1
  - ii. Obstfeld and Rogoff, Chapter 4.4
- e. Feb 16<sup>th</sup>: Money, Prices, Seignorage
  - i. Obstfeld and Rogoff, Chapters 8.1-8.2.6
  - ii. C.R., “Germany’s Hyperinflation-Phobia,” *The Economist*, Nov 15<sup>th</sup>, 2013
    - 1. <http://www.economist.com/blogs/freeexchange/2013/11/economic-history-1>
  - iii. Bryan Taylor, “The Worst Hyperinflations in History: Hungary,” [global-financialdata.com](http://globalfinancialdata.com)
    - 1. <https://www.globalfinancialdata.com/gfdblog/?p=2382>
- f. Feb 18<sup>th</sup>: Nominal Exchange Rates and Expectations
  - i. Obstfeld and Rogoff, Chapters 8.2
  - ii. “Going over the Edge,” *The Economist*, Dec 20<sup>th</sup>, 2014
    - 1. <http://www.economist.com/node/21636720>
  - iii. Joseph A. Whitt, Jr., “The Mexican Peso Crisis,” *The Economic Review, Federal Reserve Bank of Atlanta*, 1996
    - 1. Paper on Sakai
- g. Feb 23<sup>rd</sup>: Nominal Exchange Rates and Speculative Attacks
  - i. Obstfeld and Rogoff, Chapters 8.4
  - ii. Lamla and Sturm, “Swiss National Bank Under Attack,” [voxeu.org](http://voxeu.org), 2012
    - 1. <http://www.voxeu.org/article/swiss-national-bank-under-attack>
  - iii. Auerback and Gorodnichenko, “Effects of Fiscal Shocks in a Globalised World,” [voxeu.org](http://voxeu.org), 2015
    - 1. <http://www.voxeu.org/article/fiscal-shocks-globalised-world>
- h. Feb 25<sup>th</sup>: Sticky Prices in Open Economies



- i. Obstfeld and Rogoff, Chapters 9.1-9.3,9.4
- ii. Marcio Garcia, “Should Brazil’s Central Bank Be Selling Foreign Reserves?” voxeu.org, 2013
  - 1. <http://www.voxeu.org/article/should-brazil-s-central-bank-be-selling-foreign-reserves>
- iii. Daude and Yeyati, “ ‘Leaning Against the Wind’: Exchange Rate Interventions in Emerging Markets Works,” voxeu.org, 2014
  - 1. <http://www.voxeu.org/article/exchange-rate-intervention-emerging-markets-works>
- i. Mar 1<sup>st</sup>: Sudden Stops and Crises: Definition and Analysis
  - i. Readings to come
- j. Mar 3<sup>rd</sup>: The ‘Trilemma’ and Exchange Rate Regimes
  - i. Mundell, “Capital Mobility and Stabilization Policy Under Fixed and Flexible Exchange Rates,” *International Economics*, 1963, pp. 250-271
    - 1. Paper on Sakai
  - ii. Helene Rey, “Dilemma not Trilemma: The Global Financial Cycle and Monetary Independence,” NBER WP 21162 (voxeu.org version)
    - 1. <http://www.voxeu.org/article/dilemma-not-trilemma-global-financial-cycle-and-monetary-policy-independence>
  - iii. Aizenman, Chinn, and Ito, “Monetary Policy Spillovers and the Trilemma in the New Normal: Periphery Sensitivity to Core Country Conditions,” July 2015, voxeu.org
    - 1. <http://www.voxeu.org/article/monetary-spillovers-and-trilemma-new-normal>

## Spring Break

- 3. Debt Crises (Feenstra and Taylor, Chapter 11.3)
  - a. Mar 15<sup>th</sup>: Sovereign debt I: Debt Limits and Limited Commitment
    - i. Lecture Notes: Sections 1 and 2
    - ii. “IMF Approves 22.5 Billion Euro Loan for Ireland,” IM Survey Magazine, Dec 16<sup>th</sup>, 2010

1. PDF on Sakai
- iii. Paul Geitner, Nicholas Kulish, and Raphael Minder, "Spain to Accept European Rescue for Ailing Banks," NY times, June 10<sup>th</sup> 2012
  1. PDF on Sakai
- b. Mar 17<sup>th</sup>: Sovereign debt II: 'Fundamental' Defaults
  - i. IN-CLASS QUIZ #2
  - ii. Lecture Notes: Section 3
- c. Mar 22<sup>nd</sup>: Sovereign debt III: 'Fundamental' Defaults (Continued)
  - i. Lecture Notes: Section 4.1
  - ii. Barry Eichengreen, "Restructuring Debt Restructuring," cnbc.com, Sept. 15<sup>th</sup>, 2014
    1. <http://www.cnbc.com/2014/09/15/argentina-debt-restructuring-appeasing-the-vulturescommentary.html>
  - iii. Miranda Xafa, "Lessons from the 2012 Greek Debt Restructuring," voxeu.org, June 25<sup>th</sup>, 2014
    1. <http://www.voxeu.org/article/greek-debt-restructuring-lessons-learned>
- d. Mar 24<sup>th</sup>: Sovereign debt IV: Debt Build-ups and the Eurozone
  - i. Lecture Notes: Section 4.2
  - ii. Paul DeGrauwe and Yuemei Ji, "Mispricing of Sovereign Risk and Multiple Equilibria in the Eurozone," voxeu.org, Jan. 23<sup>rd</sup>, 2012
    1. <http://www.voxeu.org/article/mispricing-sovereign-risk-and-multiple-equilibria-eurozone>
  - iii. Fernandez-Villaverde et al., "Did the Euro Kill Governance in the Periphery?," voxeu.org, April 30<sup>th</sup>, 2013
    1. <http://www.voxeu.org/article/did-euro-kill-governance-periphery>
- e. Mar 29<sup>th</sup>: Sovereign debt V: Rollover/Liquidity Crises
  - i. Lecture Notes: Section 4.2
  - ii. Miller and Zhang, "Saving the Euro: Self-Fulfilling Crises and the Draghi Put," voxeu.org, June 2014
    1. PDF on Sakai

- iii. Bacchetta, Perazzi, van Wincoop, “Can Central Banks Avoid Sovereign Debt Crises?”, [voxeu.org](http://www.voxeu.org), June 2015
  - 1. <http://www.voxeu.org/article/central-banks-and-sovereign-debt-crises-new-evidence>
- 4. Growth and Business Cycles in Open Economies
  - a. Mar 31<sup>st</sup>: The Neoclassical Growth Model
    - i. Obstfeld and Rogoff, Chapters 7.1
    - ii. Robert J. Gordon, “Is US Economic Growth Over? Faltering Innovation Confronts the Six,” [voxeu.org](http://www.voxeu.org), Sept 2012
      - 1. <http://www.voxeu.org/article/us-economic-growth-over>
    - iii. Marco Annunziata, “The Next Productivity Revolution: The ‘Industrial Internet,’” [voxeu.org](http://www.voxeu.org), Dec 2012
      - 1. <http://www.voxeu.org/article/next-productivity-revolution-industrial-internet>
  - b. Apr 5<sup>th</sup>: Growth, Welfare, and Immigration
    - i. Obstfeld and Rogoff, Chapter 7.1
    - ii. Batisti et al., “How Immigration Benefits Natives Despite Labor Market Imperfections and Income Redistribution,” [voxeu.org](http://www.voxeu.org), Aug 2014
      - 1. <http://www.voxeu.org/article/how-immigration-benefits-natives>
    - iii. Beerli and Peri, “The Labor Market Effect of Opening the Border to Immigrant Workers,” [voxeu.org](http://www.voxeu.org), Aug 2015
      - 1. <http://www.voxeu.org/article/immigrants-impact-labour-markets-new-evidence>
  - c. Apr 7<sup>th</sup>: Convergence (or lack thereof)
    - i. Obstfeld and Rogoff, Chapter 7.2
    - ii. Weisbrod and Whalley, “The Contribution of Chinese FDI to Africa’s Pre-crisis Growth Surge,” [voxeu.org](http://www.voxeu.org), Dec 2011
      - 1. <http://www.voxeu.org/article/contribution-chinese-fdi-africa-s-growth>
    - iii. Gorodnichenko and Svejnar, “Foreign Entry and Domestic Innovation,” [voxeu.org](http://www.voxeu.org), Sept 2015

1. <http://www.voxeu.org/article/foreign-entry-and-domestic-innovation>
- d. Apr 12<sup>th</sup>: Capital Market Imperfections, Human Capital, and Convergence
- i. Obstfeld and Rogoff, Chapter 7.2
  - ii. Daniel Gros, “Why Does Capital Flow from Poor to Rich Countries?”  
voxeu.org, 2013
    1. <http://www.voxeu.org/article/why-does-capital-flow-poor-rich-countries>
  - iii. Eden and Gaggl, “Do Poor Countries Really Need More IT?”, voxeu.org,  
Oct 2015
    1. <http://www.voxeu.org/article/do-poor-countries-really-need-more-it>
- e. Apr 14<sup>th</sup>: NCG/RBC Model with Open Borders
- i. IN-CLASS QUIZ #3
  - ii. Lecture Slides
- f. Apr 19<sup>th</sup>: Emerging Markets Business Cycles: Growth Structure/Preferences/Interest Rates
- i. Lecture Slides
  - ii. Vegh and Vuletin, “Tax Policy Procyclicality,” voxeu.org, Oct 2013
    1. <http://www.voxeu.org/article/tax-policy-procyclicality>
  - iii. Vegh and Vuletin, “Graduation from Monetary Policy Procyclicality,”  
voxeu.org, Aug 2012
    1. <http://www.voxeu.org/article/graduation-monetary-policy-procyclicality>
- g. Apr 21<sup>st</sup>: Emerging Markets Business Cycles: Preferences/Interest Rates
- i. Lecture Slides
  - ii. De la Torre et al., “Latin America’s Fashionable Scepticism: Setting the Record Straight,” voxeu.org, Jan 2014
    1. <http://www.voxeu.org/article/overstated-pessimism-over-latin-america>
  - iii. Helmut Reisen, “Boom, Bust, and Sovereign Ratings: Lessons from the Eurozone for Emerging Markets Ratings,” voxeu.org, May 2010

1. <http://www.voxeu.org/article/boom-bust-and-sovereign-ratings-lessons-eurozone-emerging-market-ratings>
- h. Apr 26<sup>th</sup>: Historical Global Financial Order
- i. David Driscoll, “What is the International Monetary Fund?” Revised Sept 1998
    1. <http://www2.uvawise.edu/pww8y/Supplement/-ConceptsSup/SocStructure/05Govt/Agencies/IMF/WHAT.HTM>
  - ii. David Driscoll, “The IMF and the World Bank: How Do They Differ?” Revised Aug 1996
    1. <https://www.imf.org/external/pubs/ft/exrp/differ/differ.htm>
  - iii. Xavier Denis, “How will the China-Led AIIB Actually Work?” FT.com, Apr 17<sup>th</sup>, 2015
    1. PDF file on Sakai
  - iv. Jamil Anderlini, “UK Move to Join China-Led Bank a Surprise Even to Beijing,” FT.com, March 26<sup>th</sup>, 2015
    1. PDF file on Sakai