INTERNATIONAL CAPITAL MARKETS
ECON 4548

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ESCUELA DE VERANO 2017

Salón: PTE
Fechas: 4 de julio al 13 de julio (No incluye clases los sábados)
Horario: 8:00 am a 12:00 pm

Programa sujeto a cambios

OBJETIVO

Over the last few decades, the world economy has witnessed an unprecedented process of financial globalization. In this class, we document this process and its macroeconomic effects, and contrast them with the predictions of standard economic models. We then extend these models in light of the evidence and use them to derive policy implications. The main topics to be covered include: the effects of financial liberalization; causes and consequences of sovereign risk; interactions between domestic and international financial markets; sudden stops and crises; the role of international financial institutions; and the interplay between asset bubbles and capital flows.

Prerequisites: to have a background in economics that allows students to follow Master's level material

Items with * will be discussed in detail in class.

Although we will not follow a textbook, the following are useful references:

(i) Obstfeld, M., and K. Rogoff, Foundations of International Macroeconomics, MIT Press, 1996 (OR)
(ii) G. Grossman and K. Rogoff (eds.), Handbook of International Economics Volume III, Elsevier, 1995 (GR)
(iii) X. Freixas and J. Rochet, Microeconomics of Banking, MIT Press, 1998 (FR)

SYLLABUS

I. Basic Facts on Financial Liberalization and Capital Flows

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II. Sovereign Risk

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III. Capital Account Liberalization: the role of domestic financial frictions

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Background Reading

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IV. Sudden Stops: Theory and Evidence

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VI.1. Financial Frictions

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Background Reading

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IV.2. Debt Crises and Contagion

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V. External Factors, International Financial Architecture and the role of the IMF

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VI. Currency Crises

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First Generation Models

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VII. Bubbles and Capital Flows: theory and application to global imbalances

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EVALUACIÓN:

Por determinar

CALIFICACIÓN:

Por determinar

FECHA DE RETIRO*:*

The student may withdraw the course, without refund, up to one business day before the date of the final test stipulated by the teacher. The University will not return the money for tuition payed for these summer courses