ECON 8559-001  International Macroeconomics: Applications, Policy, and History

Alan M. Taylor
Fall 2012

Class Hours: Monroe 110  TuTh 12:30 PM – 1:45 PM
Office Hours: Monroe 248  MW 2:00 PM– 3:00 PM

Syllabus
The objective of this course is to introduce students to the frontiers of applied empirical research in international macroeconomics, and by the end of the course enable them to begin research in this area. A prior course in international macroeconomic theory would be helpful, but is not essential.

Evaluation will be based on two components. 75% weight will be given to a final paper on a topic chosen in consultation with the instructor. The remaining 25% will be based on class presentations. From time to time students will be scheduled to make class presentations, in the form of critical reviews of selected papers from the syllabus (denoted *).

Capital movements and market integration over the very long run (Class # 1/2)


Peter Koudijs. 2010. The Boats That Did Not Sail: Evidence on the Sources of Asset Price Volatility from an 18th Century Natural Experiment. UPF. Photocopy.


Exchange rate regimes over the very long run (3)

Meissner, Christopher M. & Oomes, Nienke, 2009. "Why do countries peg the way they peg? The


Fixed exchange rates: credibility and risk premia under the gold standard (4)


Fixed exchange rates: trade (5)


 LOOP and PPP (6)


 Real Exchange Rates, Adjustment and Growth (7)


 Arbitrage, Interest Parity, and Carry Trades (8/9)


The Trilemma, and Policy Shock Transmission (10/11)


The Great Depression, International Aspects and Evidence (12/13)


[SPRING BREAK HERE]

Openness and Growth (14/15)


Capital Flows and Growth in the Longer Run (16/17)


**Capital Flows in the Short Run and Sudden Stops (18)**


**Crises, Twin Crises, Triple Crises (19)**


**Sovereign Debt (20)**


**Currency Mismatch and “Original Sin” (21)**


Banking Crises and International Evidence (22)


Asymmetry, International Reserves, and Exorbitant Privilege (23/24/25)


Limits to Globalization: Evidence on Border/Currency Effect (26/27)


