

## Information No 1

### Agenda incl. Literature of this Winter Term 2024-25<sup>1</sup>

**10-01.2024** The first appointment will take place as an asynchronous online event. For further information please check Moodle.<sup>2</sup>

#### **10-08.2024 International Financial Institutions, Monetary Systems, and Central Banks**

- \*Rajan (2019) Rising Tide
- \*Krugman (2023), Ch. 20
- \*Caruana (2015)

#### **10-15.2024 International Interdependencies: International Monetary Policy or 'From trilemma to irreconcilable duo' (Rey 2018)**

- \* Coeuré (2016)
- \*Krugman (2023), Ch. 20
- Rey (2018) Dilemma not Trilemma
- \*Scheubel et al. (2021) Old Risks in New Clothes. The Changing Nature of Capital Flows

#### **10-22.2024 The Post-Bretton Woods Era and Consequences for Central Banks**

- \*Draghi (2017) Sustaining Openness in a Dynamic Global Economy
- \*Eichengreen (2019) Two views of the International Monetary System
- \*James (2012) The Multiple Contexts of Bretton Woods
- \*Fischer (2016) The Lender of Last Resort Function (LoLR) in the United States

#### **10-29.2024 The IMF's Task and Role, and New Order (since 2020)**

- \*IMF Website
- Pforr et al. (2022) Special Drawing Rights
- Horn et al. (2023) on China as International LoLR

#### **11-05.2024 Financial Crisis and Resilience – The Global Financial Crisis or the Big Opacity**

- \*Bernanke (2013) The Federal Reserve and the Financial Crisis
- \*Blinder (2013) Financial Crises and Central Bank Independence
- Brunnermeier, Crockett, et al. (2009) On the Principles of Financial Regulation
- Brunnermeier and Reis (2023)
- Krugman (2023) Ch. 20
- Lane (2012) Financial Globalisation and the Crisis

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<sup>1</sup> Please select one source marked with an \*asterisk for your presentation of its content (its research question, the arguments of the main part, and the conclusion) on November 19, 2024. The full bibliographical information is given in the bibliography from page 3 onwards.

<sup>2</sup> Brunnermeier (2021), Brunnermeier & Reis (2023), Krugman et al. (2023) are mandatory literature. Comprehensive introductions to the function of central bank versus banks as financial intermediaries, capital markets are provided by (among others) Mishkin (2019, 2018); for the European financial market and monetary institutions, I recommend the analyses by Jakob Haan De, Schoenmaker and Wierdsma (2020). Some more literature will be presented on my slides.

**11-12.2024 Financial Markets and the Global Financial Cycle**

- Brunnermeier (2021) *The Resilient Society*, Ch. 9, and Ch. 14, 279-301

**11-19.2024 Student presentation (No. 1) of the abstract of the \*selected article (see introduction in Moodle)****11-26.2024 The US Currency and ,Safe-Asset’ -Hypothesis**

- Bernanke (2015b) Federal Reserve Policy in an International Context.
- Brunnermeier & Reis (2023), *ibid.*, Ch. 8, 73-79.
- McCauley (2019) Safe Assets: Made, not just Born
- Georgiadis et al. (2021) Dollar dominance

**12-03.2024 US Dollar, Central Bank Swaps**

- Aldasoro, Ehlers et al. (2020) Global Banks’ Dollar Funding Needs and Central Bank Swap Lines.
- Bahaj and Reis (2022a) Central Bank Swap Lines, *ibid.*
- \*Bahaj and Reis (2022b) The Economics of Liquidity Lines between Central Banks.

**12-10.2024 Financial Crisis and Resilience – Responses of Central Banks**

- \*Blinder (2013)
- Brunnermeier and Reis (2023), *ibid.*
- Borio (2011) Central Banking Post-Crisis: What Compass for Uncharted Waters?
- Eichengreen and Gros (2020) *Post-Covid-19. Global Currency Order*
- Milstein and Wessel (2021) What Did The Federal Reserve Bank Do in Response ...

**12-17.2024 Cont. Financial Crisis and Resilience – Responses of Central Banks****01-07.2025 Continuation with the topic of 12-17.2024 Financial Crisis and Resilience.**

**Also: First Opportunity to present the final paper (see Moodle)**

**01-14.2025 Deadline to submit the Term Paper and Presentation of Student’s Term Paper  
Second Opportunity to present the final paper (see Moodle)****Literature**

**Aldasoro, Inaki, Forsten Ehlers, Patrick McGuire and Goetz von Peter (2020)** Global Banks’ Dollar Funding Needs and Central Bank Swap Lines. <https://www.bis.org/publ/bisbull27.htm>

**Aldasoro, Inaki, Stefan Avdjiev, Claudio Borio and Piti Disyatat (2020)** Global and domestic financial cycles: Variations on a Theme. BIS Working Papers No. 864. BIS Basel. <https://www.bis.org/publ/work864.pdf>

**Bahaj, Saleem and Ricardo Reis (2022a)** Central Bank Swap Lines: Evidence on the Effects of the Lender of Last Resort. *Review of Economic Studies*, 89, 1654-1693.

**Bahaj, Saleem and Ricard Reis (2022b)** The Economics of Liquidity Lines between Central Banks. CEPR, Discussion Paper Discussion Paper DP17122, <https://repec.cepr.org/repec/cpr/ceprdp/DP17122.pdf>

**Bernanke, Ben S. (2015a)** *The Courage to Act: A Memoir of a Crisis and Its Aftermath*. W.W. Norton & Company. New York 2015.

**Bernanke, Ben S. (2015b)** Federal Reserve Policy in an International Context. Brookings Institution Washington, DC, USA. <https://www.imf.org/external/np/res/seminars/2015/arc/pdf/Bernanke.pdf>

**Bernanke, Ben (2013)** *The Federal Reserve and the Financial Crisis. Lectures by Ben S. Bernanke.* Princeton, NJ (u.a.), Princeton University Press.

**Bertraut, Carol, Bastian von Beschwitz, Stephanie Curcuru (2021)** The International Role of the U.S. Dollar, October 06, 2021 <https://www.federalreserve.gov/econres/notes/feds-notes/the-international-role-of-the-u-s-dollar-20211006.html>

**Blinder, Alan S. (2013)** Financial Crises and Central Bank Independence. *Business Economics*, Vol. 48, No. 3, 163-165.

**Borio, Claudio, Harold James and Hyun Shin (2014)** The International Monetary and Financial System: A Capital Account Historical Perspective. *BIS Working Papers* no 457, August. <http://www.bis.org/publ/work457.pdf>

**Borio, Claudio (2011)** Central Banking Post-Crisis: What Compass for Uncharted Waters? BIS Working Paper No 353, September, Monetary and Economic Department. <https://www.bis.org/publ/work353.pdf>

**Borio, Claudio and Haibin Zhu (2008)** Capital Regulation, Risk-Taking and Monetary Policy: Missing Link in the Transmission Mechanism? BIS Working Papers No 268, Monetary and Economic Department, Basel. <https://www.bis.org/publ/work268.pdf>

**Brunnermeier, Markus K. and Ricardo Reis (2023)** *A Crash Course on Crisis. Macroeconomic Concepts for Run Ups, Collapses, and Recoveries.* Princeton, Princeton University Press.

**Brunnermeier, Markus K. (2021)** *The Resilient Society.* Endeavor Litbury Press LLC, Washington, D.C.

**Brunnermeier, Markus K, Andrew Crockett, Charles Goodhart, Avinash D. Persaud, Hyun Son Shin (2009) (Eds.)** *The Fundamental Principles of Financial Regulation. Geneva Reports on the World Economy 11.* International Center for Monetary and Banking Studies (ICMB), Switzerland.

**Caruana, Jaime (2015)** The International Monetary and Financial System – Eliminating the Blind Spot. <https://www.bis.org/speeches/sp150430.pdf>

**Coeuré, Benoît (2016)** The Case for Rethinking International Capital Flows. Speech [https://www.ecb.europa.eu/press/key/date/2016/html/sp160915\\_1.en.html](https://www.ecb.europa.eu/press/key/date/2016/html/sp160915_1.en.html)

**Corsetti, Giancarlo and Emile Marin (2020)** The Dollar and International Capital Flows in the Covid-19 Crisis. April 2020. <https://voxeu.org/article/covid-19-crisis-dollar-and-capital-flows>

**De Grauwe, Paul (2011)** The Governance of A Fragile Eurozone, Working Paper 346. <https://www.ceps.eu/wp-content/uploads/2011/05/WD%20346%20De%20Grauwe%20on%20Eurozone%20Governance.pdf>

**Draghi, Mario (2017)** Sustaining Openness in a Dynamic Global Economy at the Economic Policy Symposium of the Federal Reserve Bank of Kansas City, Jackson Hole, 25 August 2017, <https://www.ecb.europa.eu/press/key/date/2017/html/ecb.sp170825.en.html>

**Eichengreen, Barry, Balazs Csoneto, Asmaa El-Ganainy, and Zoska Koczan (2021)** Financial Globalization and Inequality. Capital flows as a Two-Edged Sword. IMF WP 21/4, <https://www.imf.org/en/Publications/WP/Issues/2021/01/08/Financial-Globalization-and-Inequality-Capital-Flows-as-a-Two-Edged-Sword-49977>

**Eichengreen, Barry and Daniel Gros (2020)** *Post-Covid-19. Global Currency Order: Risks and Opportunities for The Euro.*  
[https://www.europarl.europa.eu/thinktank/en/document.html?reference=IPOL\\_STU\(2020\)652751](https://www.europarl.europa.eu/thinktank/en/document.html?reference=IPOL_STU(2020)652751)

**Eichengreen, Barry (2019)** Two views of the International Monetary System. *Intereconomics* 2019, 233-236.

**European Central Bank (2022)** Monetary Policy in an Uncertain World. Speech of Christine Lagarde at the The ECB and Its Watchers Conference, March 17<sup>th</sup>.  
<https://www.ecb.europa.eu/press/key/date/2022/html/ecb.sp220317~9d2f052c92.en.html>

**European Central Banks (2021)** Our Response to Covid.  
<https://www.ecb.europa.eu/home/search/coronavirus/html/index.en.html>

**European Central Bank (2020b)** ECB announces €750 billion Pandemic Emergency Purchase Programme (PEPP) Press Release on March 18<sup>th</sup> 2020  
[https://www.ecb.europa.eu/press/pr/date/2020/html/ecb.pr200318\\_1~3949d6f266.en.html](https://www.ecb.europa.eu/press/pr/date/2020/html/ecb.pr200318_1~3949d6f266.en.html)

**Fischer, Stanley (2016)** The Lender of Last Resort Function in the United States. Speech at "The Lender of Last Resort: An International Perspective" Washington DC  
<https://www.bis.org/review/r160211d.htm>

**Georgiadis, Georgios, Gernot Müller, Ben Schumann (2021)** Dollar dominance and the international adjustment to global risk. <https://cepr.org/voxeu/columns/dollar-dominance-and-international-adjustment-global-risk>

**Habib, Maurizio Michael and Fabrizio Venditti (2019)** The Global Capital Flows Cycle and Its Drivers: Not only a US Monetary Policy Story. <https://voxeu.org/article/global-capital-flows-cycle-and-its-drivers>

**Haan, Jakob de, Dirk Schoenmaker, and Peter Wierts (2020)** *Financial Markets and Institutions. A European Perspective.* 4<sup>th</sup> ed. Cambridge University Press, Cambridge.

**Horn, Sebastian, Carmen Reinhart, Christoph Trebesch (2021)** China Overseas lending. *Journal of International Economics*. Vol. 133, November 2021, <https://doi.org/10.1016/j.jinteco.2021.103539>

**Horn, Sebastian, Bradley Parks, Carmen Reinhart, Christoph Trebesch (2023)** China as International Lender of Last Resort. <https://www.nber.org/papers/w31105>

**James, Harold (2012)** The Multiple Contexts of Bretton Woods. *Oxford Review of Economic Policy*, 28 Jg., H. 3, 411-430.

**Krugman, Paul R., Obstfeld, Maurice, and Marc J. Melitz (2023)** *International Economics. Theory & Policy.* Pearson. Boston. Columbia, 12<sup>th</sup> ed.

**Lane, Philip R. (2012)** *Financial Globalisation and the Crisis. Paper prepared for the 11<sup>th</sup> BIS Annual Conference on 'The Future of Financial Globalisation', Lucerne, June 21<sup>st</sup>-22<sup>nd</sup> 2012.*  
<https://www.bis.org/events/conf120621/lane.pdf>

**McCauley, Robert N. (2020)** Swap Innovation: then and now. CEPR Discussion Paper.  
<https://cepr.org/voxeu/columns/swap-innovation-then-and-now>

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**Miranda-Agrippino, Silvia and Helene Rey (2019)** US Monetary Policy and the Global Financial Cycle. NBER WP 21722, [https://www.nber.org/system/files/working\\_papers/w21722/w21722.pdf](https://www.nber.org/system/files/working_papers/w21722/w21722.pdf)

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**Muchlinski, Elke (2014)** Why do Markets React to Words? *On the Horizon*, Vol. 22, No. 4, pp. 318-327, <https://doi.org/10.1108/OTH-08-2014-0029>.

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**Scheubel, Beatrice, Casanova, Cathérine, and Livio Stracca (2021)** Old Risks in New Clothes: The changing Nature of Capital Flows. <https://voxeu.org/article/changing-nature-capital-flows>

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