



Seminar (“Research Module”)
“International Financial Integration”
Winter semester 2011/12

Motivation:

For better or worse, the integration of international capital markets has proceeded rapidly in recent years: today, the cross-country ownership of assets relative to global economic output is three times higher than two decades ago. The goal of this seminar is to describe this evolution and to explore both the causes and the consequences of international financial integration.

A preliminary list of topics is presented at the end of this announcement.

Important Dates:

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|-------------------------|---|
| 18.07.2011, 2 – 3 p.m.: | Introductory meeting and presentation of topics |
| Through 22.07.2011: | Distribution of topics. |
| 25./26.11.2011: | Student presentations |
| Through 10.02.2012: | Submission of term papers |

Note: Participation at the introductory meeting and at all students' presentations is *mandatory*.

Fachbereich 03
Rechts- und Wirtschaftswissenschaften

Lehrstuhl für Volkswirtschaftslehre,
insb. International Economics

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Participants:

The seminar is offered to students in the **masters program “International Economics and Public Policy” (MIEPP)**. It is also open for students of the **diploma program in Economics (“Volkswirtschaftslehre”)**. Presentations and term papers *should* be in English, but diploma students are allowed to present and to write their papers in German.

Contact Information:

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Basic Reference:

Köse, A., E. Prasad, K. Rogoff and S.-J. Wei (2009):
„Financial Globalization – A Reappraisal“, *IMF Staff Papers* 56, 8-62.

(Preliminary) List of Topics:

- Topic 1: Does foreign direct investment raise productivity, output and growth?
- Topic 2: What do the emerging market crises of the 1990s teach us about the current fiscal crisis in the EU?
- Topic 3: What are the causes and consequences of workers’ remittances as a source of developing-country finance?
- Topic 4: What is the role and impact of development finance institutions in financing economic activity?
- Topic 5: Does financial integration increase the risk of financial crises?

Topic 6: How to measure the degree of financial integration?

Topic 7: Does financial integration help households reduce consumption volatility?

Topic 8: Alternative exchange rate regimes in a financially integrated world: which works best?

Topic 9: How does financial globalization challenge monetary authorities?

Topic 10: Why doesn't capital flow from rich to poor countries (still)? Do financial frictions impede the efficient international allocation of capital?

Topic 11: Does opening up the capital account foster financial development?

Topic 12: Private or public: who is saving where?

Topic 13: Financial integration and the terms of trade: Can assets carry the Dutch disease?

Topic 14: What can the different experiences of Asia, Latin America and Africa tell us about the grounds of successful financial liberalization for developing countries?