Weekly structure of the course:

First half of semester: Professor J. Frankel

I. INTEGRATION OF FINANCIAL MARKETS

II. EXPECTATIONS AND THE MONETARY MODEL OF EXCHANGE RATES

III. THE CARRY TRADE, RISK, & PORTFOLIO DIVERSIFICATION

IV. DEBT & EM CRISES

Midterm exam

[March 9 March 17 SPRING BREAK]

Second half of semester: Professor F. Sturzenegger

V GROWTH THEORY

The Lucas Paradox and imperfections in financial markets	
American Economic Review	
Development	_ Hnance &
Economic Review	American
Journal of Political Economy 115, 1,	
Journal of Economic Perspectives	
Rev.Ec.& Stat.,	
Interest Rate Parity & other tests of financial integration WTP	
American Economic Review: Insights The Economist	

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WTP	<u>JPE,</u>
, IMFStaff Papers	
	J Intl. Money and Finance

III. THE CARRY TRADE, RISK, PORTFOLIO DIVERSIFICATION

Forward bias and

FSV		
	Financial Tim	ies
		FT
	Financial Times,	
		Fin. Times

Midterm exam

Readings for second half of semester -- Prof. Sturzenegger

Journal of Monetary

Economics

Journal of Political Economy

Endogenous Growth: Models of Innovation

Innovation and Growth in the Global Economy

Econometrica

The Economics of Growth

The Quarterly Journal of Economics Capital in the XXIst Century The Rise and Fall of American Growth Why Has Economic Growth Sowed When Innovation Appears to be

OLG Models

Economic Review

The American

Journal of Political Economy

American Economic Review,

20. OLG applications: social security, the Biden fiscal expansion, bubbles and crypto

Lectures on Macroeconomics

Econometrica

Review of Economic Dynamics

Real Business Cycles

Minneapolis Quarterly Review American Economic Review The Scandinavian Journal of Economics **Open Economy Macroeconomics** The Macroeconomics of Epidemics The Review of Financial Studies New Keynesian Models of Fluctuations: the basics The American

Economic Review

Journal of Monetary

Economics

Monetary Policy, Inflation and the Business Cycle

New Keynesian Models of Fluctuations: fiscal and monetary policies and passthrough

Handbook of Monetary Economics

Journal of

Economic Perspectives

Monetary Policy and Bubbles in a New Keynesian Model with Overlapping Generations

Vector Autoregression (VAR)

Federal Reserve Bank of