

Department of Economics
University of Toronto
Summer 2016

ECO 407

Competing Views in Macroeconomic Theory and Policy

TR2-5 – WO 35

INSTRUCTOR

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OFFICE HOURS

Monday, 3:00 – 4:00 PM

COURSE DESCRIPTION

This course provides students with a systematic analysis of competing perspectives on key areas of macroeconomic theory and policy. The aim of the course is to help economics students develop their critical skills by highlighting the strengths and weaknesses of current macroeconomic theory as articulated by their defenders and critics. Special attention will be paid to competing views regarding key fiscal, monetary, and trade policy issues as applied to Canada.

REQUIRED TEXTBOOKS

- Hassan Bougrine and Mario Seccareccia, *Introducing Macroeconomic Analysis: Issues, Questions, and Competing Views*. Toronto: Emond Montgomery Publications Ltd., 2010.
- Ha-Joon Chang, *23 Things They Don't Tell You about Capitalism*. New York: Bloomsbury Press, 2010.

COURSE REQUIREMENTS

- **Critical Review I** – A written **critical review** on an economics article to be assigned on **May 12**. Submission will be due at the beginning of class on **May 19**. The Critical Review should be 800-1000 words in length. **Late penalty: 5 percentage points per day.**
- **Critical Review II** – A written **critical review** on an economics article to be assigned on **May 19**. Submission will be due at the beginning of class on **May 26**. The Critical Review should be 800-1000 words in length. **Late penalty: 5 percentage points per day.**
- **Term Paper** – This essay will be on a specific topic to be assigned on **May 26**. The Term Paper will be due at the beginning of class on **June 16** and should be about 4,000 words in length. **Late penalty: 5 percentage points per day.**
- **Final exam** – An exam covering the term's work will be written during the regular examination period (**June 20-24**).

Guidelines on Writing the Critical Reflections

1. This assignment involves the submission of a critical reflection on the assigned article.
2. The critical reflection should be no more than 3-4 pages in length (about 900 words). The emphasis is on concise, focused thought. You need to identify the author's *main* thesis, and respond critically to that thesis. The latter implies that you must take a clear and coherent position on the issues discussed. You must, therefore, advance your own thesis statement which will serve as the guiding framework of your critical reflection.
3. You will receive a brief, written evaluation of your submissions within two weeks. The evaluation will be based on the following criteria:
 - effectiveness in taking a clear and critical position on issues
 - capacity to synthesize complex ideas
 - clarity and conciseness of expression.

- **Class participation** – Participation in class discussions will also form part of the total mark. Students must read the required readings in advance in order to have a stimulating discussion.

COURSE EVALUATION

The breakdown of the term grade will be as follows: 1) each of the two critical reviews will count for 12.5% of the final mark; 2) the term paper will count for 30% of the final mark; 3) the final exam will count for 35% of the final mark; and 4) class participation will count for the other 10% of the final mark.

GUIDELINES FOR WRITING THE TERM PAPER

There are several Writing Centres at the University of Toronto where you can receive helpful information to guide you in writing an academic essay. A list of these Writing Centres can be accessed at <http://www.writing.utoronto.ca/writing-centres/centres>. More general advice on academic essay writing can also be electronically accessed at <http://www.writing.utoronto.ca/advice/general/general-advice>.

ACADEMIC INTEGRITY

Academic integrity is one of the cornerstones of the University of Toronto. It is critically important both to maintain our community which honours the values of honesty, trust, respect, fairness and responsibility and to protect you, the students within this community, and the value of the degree towards which you are all working so diligently.

According to Section B of the University of Toronto's *Code of Behaviour on Academic Matters* (www.utoronto.ca/govcncl/pap/policies/behaveac.html) which all students are expected to know and respect, it is an offence for students:

- To use someone else's ideas or words in their own work without acknowledging that those ideas/words are not their own with a citation and quotation marks, i.e. to commit plagiarism.
- To include false, misleading or concocted citations in their work.
- To obtain unauthorized assistance on any assignment.
- To provide unauthorized assistance to another student. This includes, for instance, showing another student an answer in a test.
- To submit their own work for credit in more than one course without the permission of the instructor.
- To falsify or alter any documentation required by the University. This, includes, but is not limited to, doctor's notes.
- To use or possess an unauthorized aid in any test or exam (e.g., a cell phone).

Submission of Critical Reflections and Term Paper to Turnitin.com

Note that, in addition to providing a hard copy, students will be asked to submit their critical reflections and term papers to Turnitin.com for the detection of possible plagiarism. The detailed procedures for submission will be announced later.

The University requires that the following paragraph be included in the syllabus of all courses using Turnitin.com:

Normally, students will be required to submit their course essays to Turnitin.com for a review of textual similarity and detection of possible plagiarism. In doing so, students will allow their essays to be included as source documents in the Turnitin.com reference database, where they will be used solely for the purpose of detecting plagiarism. The terms that apply to the University's use of the Turnitin.com service are described on the Turnitin.com web site.

Please note that you are not obligated to submit your critical reflection and/or paper to Turnitin.com. If you object to submit them to Turnitin.com, let me know by **May 17** and I will offer you a reasonable offline alternative.

- To submit a medical note to get out of a test when the student is not actually sick.
- To continue writing when the time is up in any test or exam.

There are other offences covered under the Code, but these are by far the most common. Please respect these rules and the values which they protect.

COURSE OUTLINE AND READING ASSIGNMENTS

This outline identifies required readings for each topic (*) plus select supplementary readings. You should find the latter useful in preparing your critical reflection and essay and following up on a subject which particularly interests you. Newspaper or magazine articles might also be added as helpful, supplementary readings from time to time. Obviously, you must read the required readings each week if we are to have a stimulating class discussion.

1. *The Market System and the Public Sector (May 10)*

- *Watson, W., "'Let the Market Work!' The Market and the Public Sector," in *Introducing Macroeconomic Analysis*, Chapter 1, pp. 9-21.
- *Prasch, R., "Market, States, and Exchange: An Introduction to Economics," in *Introducing Macroeconomic Analysis*, Chapter 1, pp. 22-32.
- *Chang, H.J., "There Is No Such Thing as a Free Market," in *23 Things They Don't Tell You about Capitalism*, Chapter 1, pp. 1-10.
- *Chang, H.J., "We Are Not Smart Enough to Leave Things to the Market," in *23 Things They Don't Tell You about Capitalism*, Chapter 16, pp. 168-177.

Supplementary Readings:

- Baker, D., *The Conservative Nanny State: How the Wealthy Use the Government to Stay Rich and Get Richer*. Washington, DC: Center for Economic and Policy Research. (Available online at <http://www.conservativenannystate.org>.)
- Bowles, S., "What Markets Can—and Cannot—Do," *Challenge*, Vol. 43, No. 4, 1991, pp. 11-16.
- Chang, H.J., *Kicking Away the Ladder*. London: Anthem Press, 2002.
- Galbraith, J.K., *The Predator State: How Conservatives Abandoned the Free Market and Why Liberals Should Too*. New York: Free Press, 2008.
- Hahnel, R., "The Case against Markets," *Journal of Economic Issues*, Vol. 41, No. 4, 2007, pp. 1139-1159.

- Landes, D., *The Wealth and Poverty of Nations: Why Some Are So Rich and Some So Poor*. New York: Norton, 1997.
- Mazzucato, M., *The Entrepreneurial State: Debunking Public vs. Private Sector Myth*. London and New York: Anthem Press, 2013.
- Minsky, H., *Stabilizing an Unstable Economy*. New Haven, CT: Yale University Press, 1986.
- Prasch, R.E., *How Markets Work: Supply, Demand and the Real World*. Northampton, MA: Edward Elgar, 2008.
- Reinert, E.S., "The Role of the State in Economic Growth," in P.A. Toninelli (ed.), *The Rise and Fall of State-Owned Enterprise in the Western World*, pp. 73-99. Cambridge: Cambridge University Press, 2000.
- Sekera, J., "Economics and the Near-Death Experience of Democratic Governance," GDAE Working Paper No. 15-02, Tufts University, May 2015. (Available online at http://www.ase.tufts.edu/gdae/Pubs/wp/15-02SekeraEconomicsDe-Democratization.pdf?utm_source=GDAE+Subscribers&utm_campaign=132cb69eb9-SekeraWP_5_19_2015&utm_medium=email&utm_term=0_72d4918ff9-132cb69eb9-46743997.)
- Shafaeddin, M., "How Did Developed Countries Industrialized? The History of Trade and Industrial Policy: The Case of Great Britain and the USA," Discussion Paper No. 139, Geneva, UNCTAD, 1998. (Available online at http://www.unctad.org/en/docs/dp_139.en.pdf.)
- Stiglitz, J.E., "The Lessons of the North Atlantic Crisis for Economic Theory and Policy," in G. Akerlof, O. Blanchard, D. Romer, and J. Stiglitz (eds.), *What Have We Learned? Macroeconomic Policy after the Crisis*, pp. 335-347. Cambridge, Mass: IMF and MIT Press, 2014. (Available online at <http://blog-imfdirect.imf.org/2013/05/03/the-lessons-of-the-north-atlantic-crisis-for-economic-theory-and-policy/>.)
- Taylor, L., *Maynard's Revenge: The Collapse of Free Market Economics*. Cambridge, Mass: Harvard University Press, 2010.
- Weiss, L., "The Myth of the Neoliberal State," in C. Kyung-Sup, B. Fine and L. Weiss, eds., *Developmental Politics in Transition*, pp. 27-42. Houndmills, England: Palgrave MacMillan, 2012.

2. The Theory of Money (May 12)

[Note: Article for Critical Review I to be assigned.]

- *Andolfatto, D., "The Theory of Money," in *Introducing Macroeconomic Analysis*, Chapter 2, pp. 35-48.
- *Smithin, J., "The Importance of Money and Debt-Credit Relationships in the Enterprise Economy," in *Introducing Macroeconomic Analysis*, Chapter 2, pp. 49-60.
- *Wray, L.R., "Money," Working Paper No. 647, Levy Economics Institute of Bard College, December 2010. (Available online at http://www.levyinstitute.org/pubs/wp_647.pdf.)

Supplementary Readings:

- Arestis, P. and M. Sawyer (eds.), *A Handbook of Alternative Monetary Economics*. Cheltenham, U.K.: Edward Elgar, 2006.
- Davidson, P. *Money and the Real World*. London: Macmillan, 1978.
- Diamond, D., "Banks and Liquidity Creation: A Simple Exposition of the Diamond-Dybvig Model," *Economic Quarterly*, Vol. 93, No. 2, 2007, pp. 189-200.
- Godley, W. and M. Lavoie, *Monetary Economics*, second edition. New York: Palgrave Macmillan, 2012.
- Hicks, J., *A Market Theory of Money*. Oxford: Oxford Press, 1989.
- Ingham, G., *The nature of Money*. Cambridge: Polity Press, 2004.
- Kiyotaki, N. and J. Moore, "Evil Is the Root of All Money," *American Economic Review*, Vol. 92, No. 2, 2002, pp. 62-66.

- McLeay, M., A. Radia, and R. Thomas, "Money Creation in the Modern Economy," *Bank of England Quarterly Bulletin*, Vol. 54, No. 1, 2014, pp. 14-27. (Available online at <http://www.bankofengland.co.uk/publications/Documents/quarterlybulletin/2014/qb14q101.pdf>.)
- Martin, F., *Money: The Unauthorised Biography*. London: The Bodley Head, 2013.
- Ostroy, J., "The Informational Efficiency of Monetary Exchange," *American Economic Review*, Vol. 63, 1973, pp. 597-610.
- Rochon, L.-P., "What Is Money? The Theory of Endogenous Money from a Revolutionary Perspective," paper presented at the American Economic Association 2016 Annual Meeting session *Do Capital Flows Need to Be Tamed?*, San Francisco, CA, January 4, 2016.
- Smithin, J. (ed.), *What is Money?* London: Routledge, 2000.
- Wray, L.R., *Understanding Modern Money: The Key to Price Stability and Full Employment*. Cheltenham: Edward Elgar, 1998.
- Wray, L.R., "What is Money? Conclusions on the Nature of Money," in his *Modern Money Theory*, Chapter 8, pp. 261-281. Houndmills, England: Palgrave Macmillan, 2012.
- Wray, L.R., *Why Minsky Matters: An Introduction to the Work of a Maverick Economist*, Chapters 3-4, pp. 71-108. Princeton, NJ: Princeton University Press, 2016.

3. The Determinants of Consumption and Saving (May 17)

- *Bodkin, R.G., "Consumption Theory at the Turn of the Millennium," in *Introducing Macroeconomic Analysis*, Chapter 3, pp. 65-78.
- *Seccareccia, M., "The Determinants of Consumption and Saving from a Heterodox Perspective," in *Introducing Macroeconomic Analysis*, Chapter 3, pp. 79-88.
- *Frank, R.H., "The Mysterious Disappearance of James Duesenberry," *The New York Times*, 9 June 2005. (Available online at <http://www.robert-h-frank.com/PDFs/ES.6.9.05.pdf>.)

Supplementary Readings:

- Akerlof, G.A., "The Missing Motivation in Macroeconomics," *American Economic Review*, Vol. 97, No. 1, 2007, pp. 5-36.
- Ando, A. and F. Modigliani, "The 'Life-Cycle' Hypothesis of Saving: Aggregate Implications and Tests," *American Economic Review*, Vol. 53, March 1963, pp. 55-84.
- Bodkin, R.G., "Windfall Income and Consumption," *American Economic Review*, Vol. 49, September 1959, pp. 602-14.
- Chawla, R.K., "Spending Patterns in Canada and the US," *Perspectives on Labour and Income*, Statistics Canada, September 2007, pp. 18-27. (Available online at <http://www.statcan.gc.ca/pub/75-001-x/2007109/article/10351-eng.pdf>.)
- Friedman, M., *A Theory of the Consumption Function*. Princeton, NJ: Princeton University Press, 1957.
- Lindner, F., "Does Saving Increase the Supply of Credit? A Critique of Loanable Funds Theory," *World Economic Review*, Vol. 4, February 2015, pp. 1-26. (Available online at <http://wer.worldeconomicsassociation.org/files/WEA-WER-4-Lindner.pdf>.)
- Seccareccia, M., "Growing Household Indebtedness and the Plummeting Saving Rate in Canada: An Explanatory Note," *Economic and Labour Relations Review*, Vol. 16, No. 1, 2005, pp. 133-151.

4. The Determinants of Investment (May 19)

[Note: Critical Review I is due. Topic for Critical Review II to be assigned.]

- *Scarth, W., "What Drives Investment? An Orthodox Perspective," in *Introducing Macroeconomic Analysis*, Chapter 4, pp. 91-100.

- *Stanford, J., "What Drives Investment? A Heterodox Perspective," in *Introducing Macroeconomic Analysis*, Chapter 4, pp. 101-116.
- *Chang, H.J., "Companies Should *Not* Be Run in the Interest of Their Owners," in *23 Things They Don't Tell You about Capitalism*, Chapter 2, pp. 11-22.
- *Chang, H.J., "Capital Has a Nationality," in *23 Things They Don't Tell You about Capitalism*, Chapter 8, pp. 74-87.

Supplementary Readings:

- Coen, R.M., R. Eisner, F. Rondina and S.N. Durlauf, "Investment," in S.N. Durlauf and L.E. Blume, eds., *The New Palgrave Dictionary of Economics Online*, 2008. (Available online at <http://www.dictionaryofeconomics.com/dictionary>.)
- Dornbusch, R., S. Fischer, R. Startz, F.J. Atkins, and G.R. Sparks, *Macroeconomics*, 7th Canadian edition. Toronto: McGraw-Hill Ryerson, 2005.
- Fazzari, S.M., "Investment," in D. Glasner, ed., *Business Cycles and Depressions: An Encyclopedia*. New York: Garland, 1997.
- Hassett, K.A., "Investment," in D.R. Henderson, ed., *The Concise Encyclopedia of Economics*, 2nd edition. (Available online at <http://www.econlib.org/library/Enc/Investment.html>.)
- Kotlikoff, L.J., "Saving," (Available online at <http://www.econlib.org/library/Enc/Saving.html>.)
- Lindner, F., "Does Saving Increase the Supply of Credit? A Critique of Loanable Funds Theory," *World Economic Review*, Vol. 4, February 2015, pp. 1-26. (Available online at <http://wer.worldeconomicsassociation.org/files/WEA-WER-4-Lindner.pdf>.)
- Pollin, R., ed., *The Macroeconomics of Saving, Finance, and Investment*. Ann Arbor: University of Michigan Press, 1997.
- Podkaminer, L., "The Euro Area's Secular Stagnation and What Can Be Done about It. A Post-Keynesian Perspective," *Real-World Economics Review*, No. 70, 2015, pp. 2-16. (Available online at <http://www.paecon.net/PAERreview/issue70/Podkaminer70.pdf>.)

5. Is Trade Liberalization Good or Bad for the Economy? (May 24)

- *Beaulieu, E., "The Economics of Trade Liberalization," in *Introducing Macroeconomic Analysis*, Chapter 10, pp. 245-255.
- *Grinspun, R., "Trade Liberalization: The Good, the Bad, and the Ugly," in *Introducing Macroeconomic Analysis*, Chapter 10, pp. 256-268.
- *Chang, H.J., "Free-Market Policies Rarely Make Poor Countries Rich," in *23 Things They Don't Tell You about Capitalism*, Chapter 7, pp. 62-73.
- *Stanford, J., "Is More Trade Liberalization the Remedy for Canada's Trade Woes?" in S. Tapp, A. Van Assche and R. Wolfe, eds., *Redesigning Canadian Trade Policies for New Global Realities*, pp. 435-452. Montreal: IRPP, 2016. (Available online at http://irpp.org/research-studies/aots6-stanford/?mc_cid=369a9db66d&mc_eid=847a276829.)

Supplementary Readings:

- Beine, M., C.S. Bos and S. Coulombe, "Does the Canadian Economy Suffer from Dutch Disease?" *Resource and Energy Economics*, Vol. 34, No. 4 (November), 2012, pp. 468-492.
- Bougrine, H., "The World Trade Organization, Free Trade Areas, and the Distribution of Wealth," in P.A. O'Hara, ed., *Global Political Economy and the Wealth of Nations: Performance, Institutions, Problems and Policies*, pp. 171-187. London: Routledge, 2004.
- Chang, H.J., "Kicking Away the Ladder: The 'Real' History of Free Trade," in A. Shaikh, ed., *Globalization and the Myths of Free Trade: History, Theory and Empirical Evidence*, pp. 23-49. London: Routledge, 2007.
- Eberhardt, P., B. Redlin and C. Toubeau, "Trading Away Democracy: How CETA's Investor Protection Rules Threaten the Public Good in Canada and the EU," Canadian Centre for

- Policy Alternatives, November 2014. (Available online at https://www.policyalternatives.ca/sites/default/files/uploads/publications/National%20Office/2014/11/Trading_Away_Democracy.pdf.)
- Felipe, J. and M. Vernengo, "Demystifying the Principles of Comparative Advantage: Implications for Developing Countries," *International Journal of Political Economy*, Vol. 32, No. 4, 2002, pp. 49-75.
- Gallagher, K.P., *The Clash of Globalization: Essays on the Political Economy of Trade and Development Policy*. London and New York: Anthem Press, 2014.
- Irwin, D.A., *Free Trade under Fire*. Princeton, NJ: Princeton University Press, 2003.
- Kishore, V., *Ricardo's Gauntlet: Economic Fiction and the Flawed Case for Free Trade*. New York: Anthem Press, 2014.
- Lamy, P., "Comparative Advantage Is Dead? Not at all," 2010. (Available online at http://www.wto.org/english/news_e/sppl_e/sppl152_e.htm.)
- Papayrakis, E. and O. Raveh, "An Empirical Analysis of a Regional Dutch Disease: The Case of Canada," *Environmental and Resource Economics*, Vol. 58, No. 2 (June), 2014, pp 179-198.
- Reinert, E., *How Rich Countries Got Rich ... and Why Poor Countries Stay Poor*. London: Constable & Robinson, 2007.
- Roberts, R., *The Choice: A Fable of Free Trade and Protectionism*, 3rd edition. Upper Saddle River, NJ: Prentice Hall, 2007.
- Rodríguez, F. and D. Rodrik, "Trade Policy and Economic Growth: A Skeptic's Guide to Cross-National Evidence," NBER Working Paper w7081, 1999.
- Rodrik, D., "How Far Will International Economic Integration Go?," *Journal of Economic Perspective*, Vol 14. No. 1 (Winter), 2000, pp. 177-186.
- Rodrik, D., *The Global Governance of Trade: As If Development Really Mattered*. New York: UNDP, 2001.
- Rodrik, D., *The Globalization Paradox*. New York: W.W. Norton & Co., 2011.
- Shaikh, A., ed., *Globalization and the Myths of Free Trade: History, Theory and Empirical Evidence*. London: Routledge, 2007.
- Shakeri, M., J. Leonard, and R.S. Gray, "Dutch Disease or Failure to Compete? A Diagnosis of Canada's Manufacturing Woes," *IRPP Study*, No. 30, May 2012.
- Schumacher, R., "Deconstructing the Theory of Comparative Advantage," *World Economic Review*, 2013, Issue No. 2, pp. 83-105. (Available online at <http://www.worldeconomicassociation.org/files/journals/worldeconomicreview/No2/WEA-WER2-complete.pdf>.)
- Smith, A. and D. Anastakis (eds.), *Smart Globalization: The Canadian Business and Economic History Experience*. Toronto: University of Toronto Press, 2014.
- Stiglitz, J., *Making Globalization Work*. New York: Norton, 2006.
- Wallach, L. and P. Woodall, *Whose Trade Organization? The Comprehensive Guide to the WTO*. New York: New Press, 2004.

6. Should Financial Flows Be Regulated? (May 26)

[Note: Critical Review II is due. Topic for Term Paper to be assigned.]

- *Santor, E. and L.L. Schembri, "The Case for Financial Liberalization," in *Introducing Macroeconomic Analysis*, Chapter 11, pp. 271-282.
- *Epstein, G., "Financial Flows Must Be Regulated," in *Introducing Macroeconomic Analysis*, Chapter 11, pp. 283-306.
- *Chang, H.J., "Financial Markets Need to Become Less, Not More, Efficient," in *23 Things They Don't Tell You about Capitalism*, Chapter 22, pp. 231-241.
- *Ocampo, J.A., "The Case For and Experience With Capital Account Regulations," in Gallagher, K.P., S. Griffith-Jones and J.A. Ocampo, eds., *Regulating Global Capital*

Flows for Long-Run Development, Pardee Center Task Force Report, Boston University, March 2012. (Available online at <http://www.bu.edu/pardee/files/2012/03/RegulatingCapitalTF-March2012.pdf>.)

- *Subbarao, D., "Capital Account Management: Toward a New Consensus?," in G. Akerlof, O. Blanchard, D. Romer, and J. Stiglitz, eds., *What Have We Learned? Macroeconomic Policy after the Crisis*, pp. 265-269. Cambridge, Mass: IMF and MIT Press, 2014. (Available online at <https://www.imf.org/external/np/seminars/eng/2013/macro2/pdf/ds.pdf>.)
- *Ostry, J.D., P. Loungani, and D. Furceri, "Neoliberalism: Oversold?," *Finance & Development*, Vol. 53, No. 2 (June), 2016, pp. 38-41. (Available online at <http://www.imf.org/external/pubs/ft/fandd/2016/06/pdf/ostry.pdf>.)

Supplementary Readings:

- Bernanke, B., "The Global Saving Glut and the U.S. Current Account Deficit." (Available online at <http://www.federalreserve.gov/boarddocs/speeches/2005/200503102/>.)
- Carney, M. "What Are Banks Really for?," Remarks to the University of Alberta School of Business, Edmonton, Alberta, 30 March 2009. (Available online at <http://www.bankofcanada.ca/wp-content/uploads/2010/03/sp300309.pdf>.)
- Davidson, P., "Globalization and an International Monetary Clearing Union," 2015 World Economics Association Conference on *Ideas towards a New International Financial Architecture?*, 15th May – 15th July. (Available online at <http://itnifa2015.weaconferences.net/wp-content/uploads/sites/4/WEA-ITNFAconference2015-Davidson.pdf>.)
- De Gregorio, J., "Capital Flows and Capital Account Management," in G. Akerlof, O. Blanchard, D. Romer, and J. Stiglitz (eds.), *What Have We Learned? Macroeconomic Policy after the Crisis*, pp. 271-287. Cambridge, Mass: IMF and MIT Press, 2014.
- Eichengreen, B., *Capital Flows and Crises*. Cambridge, MA: MIT Press, 2004.
- Epstein, G., I. Grabel and Jomo K.S., "Capital Management Techniques in Developing Countries," in G. Epstein, ed., *Capital Flights and Capital Controls in Developing Countries*, pp. 301-333. Northampton, MA: Edward Elgar, 2005.
- Epstein, G., ed., *Capital Flights and Capital Controls in Developing Countries*. Northampton, MA: Edward Elgar, 2005.
- Epstein, G. (ed.), *Financialisation and the World Economy*. Cheltenham: Edward Elgar, 2005.
- Farhi, E. and I. Werning, "Dilemma Not Trilemma? Capital Controls and Exchange Rates with Volatile Capital Flows," *IMF Economic Review*, Vol. 62, 2014, pp. 569-605.
- Furceri, D. and P. Loungani, 2015, "Capital Account Liberalization and Inequality," IMF Working Paper 15/243, 2015.
- Gabor, D., "Paradigm Shift? A Critique of the IMF's New Approach to Capital Controls," *Journal of Development Studies*, Vol. 48, No. 6, 2011, pp. 714-731.
- Gallagher, K.P., "Regaining Control: Capital Controls and the Global Financial Crisis," Political Economy Research Institute, University of Massachusetts–Amherst, 2011.
- Gallagher, K.P., "The IMF's New View on Financial Globalization: A Critical Assessment," Issues in Brief No. 26, Pardee Center, Boston University, December 2012. (Available online at <http://www.bu.edu/pardee/files/2012/12/Pardee-IIB-026-Dec-2012.pdf>.)
- Gallagher, K.P., S. Griffith-Jones and J.A. Ocampo, eds., *Regulating Global Capital Flows for Long-Run Development*, Pardee Center Task Force Report, Boston University, March 2012. (Available online at <http://www.bu.edu/pardee/files/2012/03/RegulatingCapitalTF-March2012.pdf>.)
- Gallagher, K.P. and J.A. Ocampo, "The IMF's New View on Capital Controls," *Economic & Political Weekly*, Vol. 48, No. 12, pp. 10-13, March 23, 2013.
- Gallagher, K.P. and Y. Tian, "Regulating Capital Flows in Emerging Markets: The IMF and the Global Financial Crisis," CEGI Working Paper No. 5, Pardee Center, Boston University, May 2014. (Available online at <http://www.bu.edu/pardee/files/2014/05/Regulating-Capital-Flows-Working-Paper.pdf>.)
- Garcia, M., "Capital Controls and Implications for Surveillance and Coordination: Brazil and Latin America," Working Paper No. 631, Department of Economics, Catholic University of Rio

- de Janeiro, 27 February 2015. (Available online at <http://www.econ.puc-rio.br/uploads/adm/trabalhos/files/td631.pdf>.)
- Glyn, A., "Finance and Ownership," in his *Capitalism Unleashed*, Chapter 3, pp. 50-76. New York: Oxford University Press, 2006.
- Holland, M., "Managing Capital Inflows in Brazil, in G. Akerlof, O. Blanchard, D. Romer, and J. Stiglitz (eds.), *What Have We Learned? Macroeconomic Policy after the Crisis*, pp. 289-305. Cambridge, Mass: IMF and MIT Press, 2014.
- International Monetary Fund (IMF), *The Liberalization and Management of Capital Flows: An Institutional View*. Washington, DC: International Monetary Fund, 2012.
- Kaplan, E. and D. Rodrik, "Did the Malaysian Capital Controls Work?," in S. Edwards and J.A. Frankel, eds., *Preventing Currency Crises in Emerging Markets*, pp. 393-441. Chicago: University of Chicago Press, 2002.
- Kattel, R. (ed.), *Economic Development and Financial Instability – Selected Essays by Jan A. Kregel*. New York: Anthem Press, 2014.
- Krugman, P., "Currency Regimes, Capital Flows, and Crises," *IMF Economic Review*, Vol. 62, 2014, pp. 470-493. (Available online at <http://www.palgrave-journals.com/imfer/journal/v62/n4/pdf/imfer20149a.pdf>.)
- Magud, N., C. Reinhart and K. Rogoff, "Capital Controls: Myth and Reality—A Portfolio Balance Approach." Cambridge, MA: National Bureau of Economic Research, 2011.
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12. Should Full Employment Be a Policy Objective? (June 16)

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