INTERNATIONAL FINANCE & MONETARY THEORY

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Academic Background
Post-doctoral Research Fellow, London School of Economics and Political Science
PhD in International Political Economy, Oxford Brookes University
Master in International Political Economy, University of Manchester
Licenciado en Ciencias de la Información, Universidad de Santiago de Compostela

Academic Experience
Assistant Professor in International Political Economy, ESSCA School of Management, Paris.
Adjunct Lecturer in Regional Integration, University of Oxford
Visiting Research Fellow at MEPR, CASS, Beijing; IRI-PUC Rio de Janeiro and MERICS, Berlin
Guest Lecturer in over 20 universities and postgraduate centres
Author of The Euro, the Dollar and the Global Financial Crisis and over 15 peer-reviewed journal articles and book chapters
Co-Chair of the Political Economy Section of the European Union Studies Association

Experience
Senior Analyst for the International Political Economy at the Elcano Royal Institute
Advisory roles for the OECD, the European Commission and the Spanish Government
Op-eds, and contributions as an expert in Spanish and international media
COURSE DESCRIPTION

This is a course, which provides the students with the necessary theories and skills to understand and analyse, from a historical, theoretical and practical perspective, the main agents, institutions and structures that shape the political economy of the international monetary and financial system. Especial attention will be given to understand the causes and consequences of the global and the European financial crises of the first two decades of the XXI Century. At the end of the course, students will have a good general knowledge of the most fundamental concepts related to macroeconomics, the political economy of money and finance, monetary theory, financial innovation and regulation and global and European economic governance. This should give them a solid basis to undertake more specialized and technical courses in the field of international finance.

LEARNING OBJECTIVES

1. Functional knowledge of the main theories and concepts in the literature on international monetary and financial affairs

2. Intellectual capacities

   2.1 Identifying and integrating relevant information and demonstrate the capacity of analysing a situation, a process, an environment in monetary/financial affairs.

   2.2 Show the capacity of critical thinking in elaborating an argumentation on key debates and processes in international monetary/financial topics.

3. Interpersonal, teamwork and communication skills

   3.1 Demonstrate effective team interaction skills.

   3.2 Develop and apply skills of personal organisation, anticipation, planning (time management) and methodological rigour.

STRUCTURE OF THE CLASSES

Most session will have the following structure:

1) Two/three students will make a 20 minutes presentation on the topic covered each session building on the required readings
2) Q&A, the rest of the class will have the opportunity to ask questions and comment on the topic
3) The professor will comment on the presentation and clarify doubts, expand some of the explanations, if necessary
4) The class will react to those and continue the debate

BIBLIOGRAPHY

Readings

There is no single textbook, but three books are highly recommendable. Students are particularly advised to buy Kirshner’s book:


It is absolutely essential that you read at least two sources of literature every week. The publications underlined are particularly important. If you have any problems with the readings, please contact the lecturer.

Background Videos

For those that have never studied international finance before, it is recommendable to watch this online course based on short videos.

Introduction to International Finance, MRUniversity. Available at: https://www.youtube.com/watch?v=yFl1z_SCrXQ&list=PL-uRhZ_p-BM5OwNpu16krXG957-6tt2W6

https://ie.on.worldcat.org/courseReserves/course/id/10022220

PROGRAM

SESSIONS 1 & 2

Intro, Money and Markets

a. Intro to the course
b. Metallist theory of money
c. Chartalist theory of money
d. Money, Power and Monetary Power

Literature:


Additional Readings:

Martin, F. (2013) Money: The Unauthorised Biography, Bodley Head, Chapter. 1

SESSIONS 3 & 4

The History of the International Monetary System

a. The Gold Standard
b. The Bretton Woods System
c. The ‘Exorbitant Privilege’ and ‘Triffin Dilemma’
d. ‘Dollar Shocks’ and the ‘Dollar Weapon’

Literature:


Additional Readings


SESSIONS 5 & 6

Globalization of Finance

a. Global Finance and the State
b. Deregulation of Finance
c. Financial Instability
d. Regulatory Capture and Revolving Doors

Literature:


Additional Readings:


Causes of the Global Financial Crisis

a. The Savings Glut Theory
b. Financial Engineering Theory
c. The Democratisation of Finance Theory
d. The Triffin Dilemma Theory

Literature:


Additional Readings:


SECTIONS 9 & 10

Policy Response to the Great Recession

a. Between US stimulus and European austerity
b. FED and BoE: Quantitative Easing
c. ECB: LTRO and OMT, QE
d. Regulatory Response: Basel III

Literature:


Additional Readings:


Varieties of Capitalism (after the financial crisis)

a. Liberal Market Economies  
b. Coordinated Market Economies  
c. Bank and Market based financing  
d. Share holder vs. stake holder model

Literature:

Additional Readings:

Other: Germany’s Mittelstand
Eurozone Debt Crisis

a. Causes of the Crisis
b. Structural Imbalances in the Eurozone
c. The lack of Lender of Last Resort
d. The break-up of the euro?

Literature:


Additional Readings:


Session 15: Global Currency Competition ($ vs. € vs. ¥)

a. The Future of the Euro?
b. The Fall of the Dollar?
c. The Rise of the RMB?
d. Currency Wars?

Literature:


Additional Reading:


R.A.: Helleiner Review of International Political Economy

ASSESSMENT

Attendance and participation in discussions is compulsory

50% essay (2,000 words longs)
30% presentations in class
20% individual participation in general discussion

Students will choose their own research questions, which need to be approved by the professor beforehand. The essays will need to be submitted in class in hard copy in session 15.