

FINAL EXAMINATION

In Class Answer any Three
Take Home Version – Any Five

Questions Based on the Text -- Pugel

1. What main principles (Chapter 16) underlie the construction of national balance of payments accounts? What items comprise the main measures or the balance of payments and the components that comprise each? What is the Macroeconomic meaning of the Current Account Balance?
2. What are the major types of transactions or activities that result in demand for foreign currency in the spot foreign exchange market (Chapter 17)? The supply of foreign currency in the spot foreign exchange market? What factors contribute to affect the actual spot exchange rate?
3. What are forward exchange rates (Chapter 18)? Their use in hedging? Speculation? Covered interest Parity?
4. There are several theories of the determinants of exchange rates (Chapter 19). What are the basic elements of the main theories? Their strengths and weaknesses? Why is predicting short run movements in the exchange rate so difficult?
5. Governments have a wide choice of policies toward their exchange rates. What are some of the options available to countries with regard to their exchange rate (Chapter 20). The advantages and disadvantages of each?
6. International financial crisis are a recurring problem. What are some of the factors often responsible for these crisis (Chapter 21)? The methods available to resolve the financial crisis? The advantages and disadvantages of each?
7. Outline the basic IS/LM macroeconomic framework (Chapter 22). How does equilibrium come about with these curves? Under what circumstances will monetary policy be most powerful? Fiscal Policy? Why?
8. Under a system of fixed exchange rates (Chapter 23) what role does fiscal policy have in stabilizing income? Monetary policy? Why? Illustrate with some examples.
9. Under a system of flexible exchange rates (Chapter 24) what role does fiscal policy have in stabilizing income? Monetary policy? Why? Illustrate with some examples.
10. What are the basic pros and cons of fixed versus flexible exchange rates (Chapter 25). Illustrate with some examples.

Questions Based on the Text -- Wheelan

11. Wheelan (Chapter 7, Financial Markets) provides some basic principles of financial markets. What are these? Drawing on these principles, what are some of the basic rules for investing?
12. Briefly discuss the concept of Gross Domestic Product (GDP) what does it represent and why is it a difficult construct to interpret (Chapter 9)? What are some other measures of economic conditions and what does each attempt to tell us?
13. Outline the workings of the Federal Reserve (Chapter 10) in conducting monetary policy– how does it affect interest rates and the money supply? What is inflation and why is it such a problem? How can it be combated? How did the Federal reserve respond to the initial stages of the financial crisis in 2008-09? Did this action seem appropriate?
14. Wheelan (Chapter 11) outlines a number of issues associated with the international financial system. In particular, what factors move exchange rates in certain directions? What are some of the main monetary systems? What are some of the problems associated with the current system? What happened in Iceland? What conclusions do you draw from this incident?
15. Wheelan (Chapter 13) outlines some of the factors that appear to contribute to economic growth and development. What are some of the more important considerations in this regard? What have been some of the common ways in which developing countries have hurt their economic prospects? What has been the role of foreign assistance?

Country Studies – Legatum Institute

16. Albert Fishlow (Crying for Argentina) traces that country's sad economic decline noting that "...no other modern economy with a democratic government has made so little from so much." Following his essay trace the country's economic policy making over the years. What themes seem to run through these policies? What might the future hold?
17. Julia Sweig and David Herrero (Going Global, The Brazilian Way) note that Brazil's leaders are working on the premise that it is in everyone's interest to mold other developing countries in Brazil's image. What appear to be the key aspects that Brazil feels are applicable to other settings? Do you agree that Brazil has a lot to teach other developing countries? Why or why not?
18. Robyn Meredith (Third Time the Charm? China Reinvents Itself) documents many of the changes that will most likely need to occur for that country to continue its growth and movement into higher income states. What are some of that country's successful past policies and the key changes that are likely necessary for that country to achieve steady advancement?
19. James Robinson (The Orangutan in a Tuxedo) examines Colombia's troubled history noting that the country is the embodiment of paradox. What are some of these paradoxes? Based on his assessment what do you feel the country needs to do to move up the ladder of development?

20. Magda Kandil (Egypt After the Revolution: Managing Creative Destruction) documents many of the impediments to Egyptian economic growth over the years. What are some of these constraints and what are the key changes that must take place to restore economic growth and prosperity?
21. Iceland was one of the first countries hit by the global financial crisis. Following Gylfason (Iceland, Rising from the Ashes) briefly describe the origins of the crisis and how the country was able to recover so quickly. Are there lessons here for other countries in a similar situation?
22. After a period of spectacular growth, the Indian economy seems to have lost its way. Following Shikha Dalmia (Back to the Future? India's Tarnished Economic Miracle), trace the origins of the country's economic miracle. What factors appear to be impeding progress and what must the country do to restore healthy rates of economic growth?
23. Iran has been both blessed and cursed with oil. Following Robert Looney (The Iranian Economy: The Glass Half Empty), trace economic policy making in that country starting with the early post-revolutionary period. Are there lessons here for those countries in the region remaking their economies in the wake of the Arab Spring?
24. Robert Dekle (Japan: Land of the Setting Sun?) notes that Japan faces problems that must be solved, simply to sustain the current standard of living. What are these problems and their possible solutions? Are you optimistic about the country's future? Why or why not?
25. Mongolia has surprised many experts (Peter Murrell and Chuluunbat Narantuya, Mongolia: The Paradox of Riches). In what ways has the country set itself apart from many other developing economies? What factors may create problems for further growth and prosperity?
26. Contrary to many observers, Hilton Root (Turkey: An Unsteady Colossus Astride the Bosphorus) is somewhat pessimistic concerning Turkey's progress to date and prospects for the future. What factors seem to lead to his pessimism? Do you agree with his analysis? Why or why not?
27. Until very recently observers felt the Vietnamese had adopted a set of reforms that would put the country on a path of high growth. Jonathan Pincus (Vietnam's Reforms: The Road to Market Leninism) challenges this view. How does he characterize the country's reforms? What are the main implications for the future?

Peterson Institute, Reality Check for the Global Economy

28. Nicholas Vernon (European Banks: Bumpy Transition to a New Policy Regime) argues that the U.S. and the EU have taken a very different approach towards banks following the 2008-09 recession. What are these differences?
29. Monica DeBolle (How Much Trouble is Brazil Really In) examines the current Brazilian economic crisis? Why is she not very concerned with the country's balance of payments or debt situation? What are some of the possible debt scenarios?

30. Jose De Gregorio (For Latin America, Disappointment but not Doom) examines the current difficulties of many of the Latin American countries. What factors have caused the worsening economic conditions in the region? What might these countries do to improve their prospects?
31. Joseph Ganon (Central Banks Have Lots of Ammunition) examines the abilities of the world's central banks to conduct monetary policy. According to him, what types of monetary policy are possible and what should some of the leading countries be doing to improve their situation?

Papers from Connectivity Wars

32. Moritz Rudolf (China's Shadow World Order) outlines a number of factors that have prompted China to alter the manner in which it is inserting itself into the international world order. What factors have caused the country to transform itself from an international rule-taker to an international rule maker? What has the country done in this regard. Do you feel their actions are counter to U.S. interests? Why or why not?
33. Carla Hobbs, et.al., (the geo-economics of the digital) notes that the digital revolution has sparked a geo-economic battle. Who are the likely winners and losers in this battle? What major changes are likely to occur? What are the implications for European policy?
34. Anu Bradford (The EU as a Regulatory Power) discusses the "Brussels Effect". What is this phenomenon? What factors underlie the EU's ability to use it? What are the advantages of regulatory power? Is this phenomenon likely to last? Why or why not?
35. Stephen Szabo (The Reinvention of German Power) argues that Germany has emerged as the West's biggest winner from globalization and is striving to become a "shaping power. What are the main arguments underlying both statements? How has Germany applied its shaping power in its relationship with Russia/ Why has Germany been called a "free rider"?
36. What are the reasons for Europe's geo-economic weakness, and what might be done to strengthen it?
37. Ulrike Esther Franke (Why emerging countries are hedging against the global system) notes that while emerging economies have been the chief beneficiaries of globalization many are losing faith in the global system. What factors underlie this statement? What are some implications?
38. Dag Harald Claes et al., (Saudi Arabia: Harnessing the Oil Market) trace some of the factors responsible for Saudi Arabia's geo-economic power. What has the country done to enhance its power? How has shale complicated the Saudi strategy? Do you feel Saudi Arabia's geo-economic power is sustainable? Why or why not?

New Papers

39. Barry Eichengreen and Ngaire Woods (The IMF's Unmet Challenges) examine the controversies surrounding the IMF. What are some of these controversies? And the unmet challenges they still face?

40. Following Clemens and Kremer (The New Role for the World Bank) how does the World Bank spend its money, influence policy and presents its mission? What should the Bank be doing now and how should its performance be assessed?
41. The United States is going through a difficult period where the “American Dream” may not be within reach of large segments of the population. This has led to a surge in populism. Barry Eichengreen (The Populist Turn in American Politics) draws some lessons from similar periods in the past. What are the causes of populism? How has populism been successfully met? What are the implications he draws for policy today? Do you find his arguments compelling? Why or why not?
42. Douglas Elmendorf and Louise Sheiner (Federal Budget Policy With an Aging Population and Persistently Low Interest Rates) are concerned with the rising debt level in the United States. What factors do they identify as critical in determining the path of debt in the future. How do they see the future path of debt? The best policy response to these trends?
43. Michael Dotsey (Monetary Policy and the New Normal) asks whether the economy is in for a long period of slow growth or a burst of innovation and productivity. What factors might lead to either scenario? Following his arguments what conclusions does this fact have for the conduct of monetary policy?
44. Sum up the conversation between Mikhail Fridman and Anatole Kaletsky – what were the main points made? What new insights did you gain by reading this article? Who do you feel made the better arguments? Why?
45. Following Barry Eichengreen (Rethinking Capital Controls), what are some of the reasons for imposing capital controls? What forms do these controls often take? Why are most economists somewhat skeptical of capital controls? How might some of the economist’s concern be alleviated?
46. Chinese economic reforms appear to be slowing (The End of Reform in China: Authoritarian Adaptation Hits a Wall). What are the causes of this slow-down? How might reform difficulties affect the country’s future?
47. Brazil is going through a very difficult period (Robert Looney, Brazil’s Hard Road to Affluence). Briefly outline the Brazilian Consensus developed by Lula, and the success it achieved. Why wasn’t this success sustained with Dilma? What has to change for sustained growth to occur?
48. The U.S. labor participation rate has declined rapidly in recent years. Following Katharine Abraham, Why Labor-force participation shrank and what it means for the American economy, what were the causes of this decline? The implications for the economy of this decline? What might the best labor policy be at this point?
49. The Federal Reserve (Fed) is widely criticized. Following Martin Feldstein (The Fed’s Unconventional Monetary Policy: What Danger Lies Ahead?) what is unconventional monetary policy as practiced recently by the Fed? What problems does Feldstein associate with this policy? What might be a better alternative?

50. Mark Blyth (Global Trumpism) sees some long-term trends developing from policy targeting. What are these targets and the problems that develop from trying to keep them in a certain range? What does this imply about the future?
51. Brad Delong (The Scary Debate over Secular) stagnation summarizes some contemporary theories that attempt to explain the slow growth rates underway in many of the world's leading economies? What are these theories and their implications? What is secular stagnation and its relationship to depression economics?
52. Larry Summers (The Age of Secular Stagnation) argues that "normal" conditions have not developed in financial markets since the 2008-09 financial crisis, especially interest rates. What factors account for the current very low levels of interest? What is his secular stagnation theory and the policy implications that are derived from it?
53. What is the AIIB? (Phillip Lipsky, Who's Afraid of the AIIB) Why is it controversial? Why do you think the U.S. position should be towards the organization? Why?
54. The World Bank is one of the original Bretton Woods institutions. Following Martin Ravallion how does the bank operate and how has it changed over the years? Why has it been something of a disappointment? Do you feel the Bank is still needed? Why or why not?
55. The IMF has Reinvented itself over the years (Reinhard and Trebesch (The International Monetary Fund: 70 Years of Reinvention). What was its original task and what major changes has it undertaken over the years? What might lie ahead?
56. Abenomics represents a major attempt by the Japanese government to revive their economy. Following the IMF (How Inclusive is Abenomics?) what is inclusive growth? How does the IMF find Abenomics when implemented impact inclusive growth?
57. Following Staci Warden (Bitcoin) how does Bitcoin work? What are some of the main criticisms of this new currency? Do you feel it will ever be a major currency? Why or why not?
58. Marsha Vande Berg (China at the Crossroads) argues that China's recent economic slow-down is forcing the government to weigh the compatibility of policies for rekindling fast-paced expansion and the long list of institutional reforms that might be vital to keeping the economy on track toward high-income status. What are these reforms and the dilemmas they pose for the Chinese leadership?
59. Barry Eichengreen (China's Money Goes Global) examines "Renminbi internationalization" the process of the growing use of China's currency in cross-border transactions. What will the Chinese government have to do to make the RMB a true world currency that could substitute for dollars? What are some of the risks involved?
60. Eswar Prasad (The Dollar Trap) examines the future role of the Chinese currency in global finance and the prospects for a major dive by the U.S. dollar. What are his conclusions and how does he reach them? Are you in agreement? Why or why not?

61. Staci Warden (Casualties of War) observes that the U.S. financial system gives the U.S. a potent means to strangle terrorism, but at the cost of unintended consequences. How does the U.S. financial system work in the war against terrorism? What problems have developed as a result of this activity? What possible changes might be made to reduce these costs?

Balance of Payments

62. Contrary to many commentators George Alessandra ("Trade Deficits Aren't as Bad as You Think") finds that trade deficits have many good aspects. What are some of the positive benefits he finds associated with trade deficits? Do you find his case compelling? Why or why not?
63. The Deutsche Bank Research paints a fairly optimistic picture of the United States' current account situation. The Bank notes that there are many wide-spread misconceptions and exaggerated worries concerning the current account. What are these and how does the Bank arrive at its optimistic assessment for the future?
64. The United States had a very large trade deficit with Japan in the 1980s. According to Butler, these imbalances were due to macroeconomic rather than microeconomic (trade policy) factors? Explain. Do you find her arguments compelling? Why or why not?

Exchange Rate

65. What are the advantages of a strong dollar? A weak Dollar? (Federal Reserve Bank of Chicago, Strong Dollar, Weak Dollar) Which would you consider to be the best for the United States? Why? How might a country strengthen its currency? Weaken it?
66. One of the current frictions in the international financial system is the belief that some countries manipulate the values of their currencies. Following Gagnon (Combating Widespread Currency Manipulation), what are the main countries that appear to be following this practice? What are some of the problems involved in identifying currency manipulation? What are some of the ways currency manipulation might be combatted?
67. Following the pegs and floats article, briefly outline some of the systems adopted by countries in setting their exchange rates. What principles underlie each?

Macroeconomics

68. The traditional measurement and interpretation of Gross Domestic Product (GDP) figures has come under increasing criticism. Following Diane Coyle (Beyond GDP) what are some of the problems associated with GDP? Possible solutions to these problems?
69. Zachary Kimble "(Misleading Indicators: Why our Economic Numbers Distort Reality)" raises a number of issues with existing economic measures such as GDP. What are his concerns with these measures? What are some of his suggestions for improvement?
70. Keynesians and Monetarists approach many policy issues from different perspectives. What are the main areas of disagreement? What critical ways do the two schools differ in their approach to policy issues? The assumptions underlying these approaches?

71. Structural unemployment presents a serious set of challenges to policymakers. Following William Dickens (Structural Unemployment: Stubborn Myths and Elusive Realities) what are some of the problems in identifying structural unemployment? What are the policy implications of his findings?
72. Gary Burtless (Long-Term Unemployment: Anatomy of the Scourge) notes that long-term unemployment presents a challenge to policymakers. Following his analysis how do we define long-term unemployment? What are some of the factors responsible for the recent increase in long-term unemployment? What policy actions might be attempted to reduce long-term unemployment?
73. The Austrian School of Economics has been controversial over the years. Following the Deutsche Bank (I am an Austrian in Economics) what are some of the main assumptions underlying this school of thought? In what way would an Austrian approach to policy differ from the normal Keynesian policies? Which approach, Austrian or Keynesian do you feel would be the best for the U.S. at this time? Why?
74. As John Williams notes (Economics Instruction and the Brave New World of Monetary Policy) observes, college courses face a challenge in keeping up with the changes that have swept through monetary policy in recent decades. What are some of the major changes he refers to and how have they affect the manner in which monetary policy is conducted in the
75. U.S.? In what way do these changes impact on the way the Federal Reserve has dealt with the ongoing economic slowdown?
76. Ryan Decker et al., (The Role of Entrepreneurship in US Job Creation and Economic Dynamism) are concerned that the U.S. economy is becoming less dynamic. What role do they attribute to startups and young firms? What patterns do they see developing for these firms? The problems faced by policymakers?
77. N. Gregory Mankiw (Questions About Fiscal Policy: Implications from the Financial Crisis of 2008-09) outlines some of the difficulties involved in implementing macroeconomic policy in the United States at the present time. What are some of the factors that complicate the use of fiscal policy?

International Monetary System/IMF/World Bank

78. The Council on Foreign Relations has (The Global Financial Regime) outlined the main issues currently confronting the international monetary system/financial regime. What are the main challenges currently facing the international system? What are some possible new roles of the IMF, World Bank and the G-20? What are several of the major controversies concerning the system that are currently being hotly debated in policy circles?
79. Ben Steil (Taper Trouble) is concerned with the effect U.S. Federal Reserve monetary policies are having on other economies. What are some of these recent impacts? Are there possible solutions to the problem and if so what are they and what are their limitations?

80. The world monetary system is going through a difficult time. The Economist (Beyond Bretton Woods 2) asks if there is a better way to organize world currencies. Based on the Economist's assessment what are the main complaints concerning the current system? What are some of the alternatives? What are some of the problems presented by capital flows and reserves?
81. Ken Rogoff (The IMF Strikes Back) provides a spirited defense of the IMF. According to him what are the main criticisms of the IMF. How does he refute these arguments? Do you feel his defense is adequate? Why or why not?
82. Barry Eichengreen asks "Does the Federal Reserve Care about the Rest of the World? In his article he traces Federal Reserve actions over time. What are some of the international events that have shaped or influenced Federal Reserve actions? What are some of the main conclusions he draws with regard to Federal Reserve actions?
83. Michael Frenkel (An Analysis of Competing IMF Reform Proposals) surveys the main criticisms of the Fund. Outline the main proposals for reform and within the context of the "trilemma of economic integration."
84. Following the CRS (Brief History of the Gold Standard in the United States), write a brief history of the operation of the Gold Standard in the United States – how did the system operate and what major changes did it undergo over time?
85. The Asian Development Bank, International Monetary Reform: A Critical Appraisal of Some Proposals) surveys some of the recent controversies and developments in the global financial system. How does the Bank see the future role of the dollar? Following the Bank, how might countries protect themselves from volatile capital flows? What regional arrangements are springing up to provide stability to the system?
86. In recent years a number of reforms have been suggested for the International Monetary Fund (IMF). Following the Congressional Research Service (CRS), what are the main areas of potential reforms? The arguments for the reforms? Against the reforms? What is your view concerning IMF reform?
87. Former IMF head economist Raghuram Rajan has a number of insights concerning many of the current conflicts between countries in the global economy. What are some of these frictions? His suggested solutions?
88. There are increasing calls for the dollar to be replaced as the international reserve currency. Following Carbaugh and Hedrick (Will the Dollar be Dethroned as the Main Reserve Currency), what are the major complaints concerning the dollar's current status? What are some likely alternatives and the problems associated with their adoption as a reserve currency? What must the United States do if it wants to retain the dollar's position in the international system?
89. Liaquat Ahamed (Currency Wars, Then and Now) suggests that policymakers today can avoid many of the mistakes made by their predecessors in the 1930s. Following his assessment,

what were some of the mistakes of the 1930s. The implications he draws for policymaking today?

90. Charles Wolf (*A Smarter Approach to the Yuan*) is critical of current U.S. policy towards the Chinese yuan. What are the main problems he has with our approach? His suggestions for a more constructive alternative? Do you find his arguments compelling? Why or why not?
91. The term the Washington Consensus was originally coined by John Williamson in the early 1990s. What are the main components of this consensus? How does it differ from the so called Beijing Consensus? Do you feel the Washington Consensus is still a relevant guide for policymaking? Why or why not?
92. Fred Bergsten (*Currency Wars and the International Economic Order*) critiques the current international monetary system and finds a number of problems with currencies. What are the main problems identified by him? What are some of his proposed solutions? The difficulties he sees in moving ahead with the appropriate reforms? Do you find his assessment compelling? Why or why not? WORTH 2 QUESTIONS

Capital Flows/Labor Flows

93. In *Banned Aid*, Bhagwati reviews a book by Dambisa Moyo critiquing the effectiveness of aid flows to Africa. What are the main assumptions upon which countries draw to justify providing aid? What is the main thrust of Moyo's assessment of aid? Do you find the arguments for aid compelling? Why or why not?
94. Christopher Blattman and Paul Niehaus (*Show Them the Money*) make the case for cash grants to alleviate poverty. What are their main arguments in favor of this approach? The evidence to support their position? Do you feel their arguments are compelling? Why or why not?
95. Following James Hines (*Treasure Islands*) what are tax havens? Their economic effects? Their implications for developing countries?
96. Following Brummer and Gorfine (*Crowdfunding: the Next Big Thing*) what is Crowdfunding and its advantages? Why might be done to improve the effectiveness of Crowdfunding?
97. What is the Brain Drain (Gibson and McKenzie, *the Brain Drain*), and the major questions surrounding this this phenomenon?
98. Michael Clemens (*Economics and Emigration*) notes that not much research has been done on emigration. What appear to be the gains that could be obtained from eliminating barriers to labor mobility? What are some of the more important questions surrounding emigration? What are some of the more promising areas for future research on emigration?

Ongoing Global Crisis

99. Robert Levine (*Adjusting to Global Economic Change: The Dangerous Road Ahead*) provides a broad historical overview of the U.S. economy in order to better understand the current

crisis. Write a brief essay identifying the main factors that have affected the macroeconomic performance of the U.S. economy since the 1930s. What are the basic economic theories used to account for the various patterns of U.S. economic performance? What implications does his analysis have for the current crisis and period of recovery? COUNTS FOR TWO QUESTIONS.

100. U.S. international financial policy in recent years has focused on the necessity of global rebalancing as a condition for achieving international financial stability. Yet, Dadush (*Global Rebalancing: the Dangerous Obsession*) feels that this is very misguided priority. What are his main arguments in this regard? Do you find his assessment compelling? Why or why not?
101. Altman and Haass (*American Profligacy and American Power*) paint a pretty grim picture of U.S. Government finances. What are some of the key deficit/debt patterns identified by them? How did these develop over time? What are some implications for the future? What do you feel are possible solutions?
102. Many countries are currently undergoing severe austerity programs. According to Mark
103. Blyth (*Austerity: The History of a Dangerous Idea*). What is the logic behind these programs? Some of the problems associated with them? What are some possible outcomes in the Eurozone?
104. Mark Blyth and Eric Lonergan (*Print Less, But Transfer More*) have an interesting new approach to the conduct of monetary policy during periods of extreme downturn. Briefly outline their approach? How does it differ from conventional monetary policy? Do you feel they make a convincing case for their approach? Why or why not?
105. Liang, Willett and Zhang (*The Slow Spread of the Global Crisis*) assess the breath and spread of the current global crisis from the US to the rest of the world. What mechanisms do they identify as responsible for the crisis? How did these factors affect the crisis spread to other parts of the world. What lessons do they draw from this experience?
106. Bremmer and Roubini (*A G-Zero World*) paint a grim picture of international economic cooperation. Write a brief essay on their concerns for the international system and the main conflicts/crises they see characterizing it over the next decade or so. Do you find their arguments sound? Why or why not?
107. The G20 meetings in London in late 2008 were supposed to forge a common response to the global economic crisis (Michael Pettis, *The G20 Meetings: No Common Framework, No Consensus*). What are some of the main factors preventing a coordinated response to the crisis?

Future/Global Governance

108. The state of global economic governance has come under increased criticism as the global economic crisis drags on. On the other hand, Daniel Drezner (*The Irony of Global Economic Governance: The System Worked*) contends that the system is much more effective than

commonly thought. What supporting evidence does he produce to arrive at his conclusion? Do you find his arguments well founded? Why or why not?

109. Ruchir Sharma (The Ever Emerging Markets: Why Economic Forecasts Fail) is quite critical of economic forecasters, especially those focused on the emerging economies. According to him, what are some of the common errors made in forecasting these economies? What might be done to obtain better forecasts of these economies?
110. Ruchir Sharma (Leaders Indicating: Why Markets Now Use Politics to Predict Economics) argues that investors are paying more attention to political leadership in making their assessments about the future? What factors appear to have caused this shift in focus? Do you feel he makes a convincing argument? Why or why not?
111. Following Danny Quah (Convergence Determines Governance) what is convergence and what are the main patterns of convergence he identifies? What implications for global governance does he draw from these patterns? Do you find his arguments compelling? Why or why not?
112. What are the seven signs of non-competitive states identified by Ralph Peters? How does he see the world system evolving? What are the implications for national policy?
113. Patrick Stewart (The Unruly World) argues that in the global economy effective multilateral responses are increasingly occurring outside formal institutions, as frustrated actors turn to more convenient, ad hoc venues. Briefly summarize his views on global governance and the developments he sees as significant. Do you find his arguments compelling? Why or why not?
114. Uri Dadush and Bennett Stancil make a number of long-range projections of the world economy – to 2050. What are some of the key factors that affect their results? Their main conclusion as to the manner in which the world will change over the next 40 years? The implications of their forecast for the United States? Do you feel their assessment is realistic? Why or why not?
115. Robert Zoellick (American Exceptionalism: Time for New Thinking on Economics and Security) draws some connections between economics and security. As he looks at U.S. history what are some of the main linkages he notes between economics and security? What are his suggestions for U.S. policy into the future? Which parts of his essay did you find most instructive? Why?
116. The IMF is increasingly advocating the importance of governance in its programs. In particular they find that the underground economy in many countries is a major impediment to improved economic performance. According to the Fund, what are some of the determinants of underground activity? The problems associated with the underground economy? The best way at reducing the size of the underground economy?
117. The five recent Current History papers discuss different aspects of the future of the global system. Write a short essay discussing what you consider to be the main challenges facing

the United States as the world system evolves. What would you suggest the U.S. do to adapt to this changing environment?

Regional Questions

Eurasia

118. Kevin O'Rourke and Alan Taylor (Cross of Euros) identify a number of problems with the current of the Eurozone? What are these? What do they feel policy makers in the Eurozone need to do in order to achieve better economic performance?
119. Deutsche Bank (Solving the Euro Policy Quandry) notes that the euro area is in an economic and political quandary. What are some of the main problems identified by the Bank? The solutions proposed to deal with these difficulties?
120. Following the Deutsche Bank report "Economic and Fiscal Policy Coordination in the Euro Area: a Primer" what are some of the problems faced by the euro area countries in implementing fiscal policy at the national level? What are the Bank's recommendations in terms of a more flexible interpretation of current mechanisms and procedures of fiscal and economic policy surveillance and coordination in Europe?
122. Reza Moghadam (Europe's Road to Integration) notes that history points to integration to overcome a tough crisis. Following his assessment of Europe, what were the main problems posed by the global financial crisis? What appear to be the main problems today? What needs to be done in the future?
123. Andrei Shleifer and Daniel Treisman take stock of the progress made by the former Communist countries of Eastern Europe and the Soviet Union. Following their assessment trace some of the progress made by these countries over the last twenty-five years. What are some of the main patterns identified by the authors?
124. In "Crisis and Reform in the Euro Area" Daniela Schwarzler identifies a number of challenges facing the EU and the euro area. What are the key lessons learned by these countries so far? What are some of these difficulties identified by her? What solutions does she propose?
125. The Greek crisis has been a modern tragedy. Following Manos Matsaganis (the Catastrophic Greek Crisis) trace the major factors underlying the country's troubles. What has been done to restore the economy? What are the main difficulties that lie ahead? Do you find his arguments compelling? Why or why not?
127. Anders Aslund identifies a number of problems currently faced by the Ukraine. What are these and the solutions he proposes? Do you agree with his assessment? Why or why not?
128. Recent developments have brought into question the future of the Russian economy. Following Sergey Drobyshevsky, Russia: Prospects for Growth and Convergence." What are some of the more important factors likely to shape the future growth path of the Russian

economy? At what rates does he see the economy expanding? Do you feel his arguments compelling? Why or why not?

129. The Turkish economy has been struggling in recent years. Following Galip Kemal Ozhan (The Growth Debate Redux) what are some of the factors responsible for this situation? So you find his arguments compelling? Why or why not?

Africa

130. In *Lions, Tigers and Emerging Markets* Anne Pitcher examines Africa's changing economic landscape. What are some of the new developments noted by her that paint a more optimistic picture of the region's prospects? What are some of the major risks that might undermine further progress?

131. Ethan Kapstein (*Africa's Capitalist Revolution*) documents the African continent's dramatic transformation in recent years. Are some of the main trends and developments does he feel have contributed to the region's recent economic successes? Based on his assessment, what policy implications do you draw for the United States?

132. Mauritius is one of the few success stories in Africa. Following Arvind Subramanian (*Mauritius a Case Study*), what factors contributed to that country's success. What initial factors did the economy have to overcome to begin accelerating its economic growth? Are there any lessons here for other African countries?

133. On the surface, the Nigerian economy appears to be doing well, but as Kate Meagher (*The Jobs Crisis Behind Nigeria's Unrest*) there are some fundamental problems with the economy. What are some of the difficulties that are emerging in the economy? Their causes? What might be done to alleviate some of these difficulties?

134. While African economic growth has improved during the past decade, Luc Christiaensen and Shantayanan Devarajan (*Making the Most of Africa's Growth*) note that problems still remain. What critical areas do they identify and what policies appear best at meeting these challenges?

135. Thandika Mkandawire (*Can Africa Turn from Recovery to Development*) notes there are many positive developments taking place in Africa that could result in good sustained growth rates. What are these factors? What lay behind some of the region's past economic failures, and what must take place in the new environment to assure continued success?

136. Christina Stolte (*Brazil in Africa*) examines Brazil's growing ties with Africa. Following her assessment, what are some of the more important linkages between Brazil and Africa? The factors driving these linkages? All and all, do you feel the relationship between Brazil and Africa has been positive? Why or why not?

137. The South African economy is going through a difficult period. Following Haroon Borat and Alan Hirsch (*South Africa: Perspectives on Divergence and Convergence*) what appear to be the biggest impediments to economic growth in South Africa? What might the South African government do to overcome some of these obstacles?

138. Africa stands out in having a very small industrial sector. Following John Page (Africa's Failure to Industrialize: Bad Luck or Ban Policy") what are some of the factors responsible for this state of affairs? What might the region do to correct the situation?

Latin America

139. Robert Looney (Austerity in the Tropics) examines Puerto Rico's current economic problems. What factors have contributed to the island's current economic crisis? What might be the best options for the island's recovery?

140. Following Willett (Crying for Argentina) write a brief essay on that country's financial crisis. Specifically, what factors led to the crisis? Why was the crisis so severe? What are the main lessons to be learned from this period?

141. Michael Shifter and Cameron Combs (Shifting Fortunes: Brazil and Mexico in a

Transformed Region) see a number of similarities as well as differences between Brazil and Mexico. What are some of the key similarities and differences? Based on their assessment do you feel one country is better positioned than the other for future growth? Why or why not?

143. Theodore Moran and associates (Chinese Investment in Latin American Resources: The Good, the Bad and the Ugly) assess the nature of Chinese investment in Latin American resources. What are their main findings? What lessons do they draw from their analysis? (COUNTS FOR TWO QUESTIONS)

144. Contrary to economic theory, the Argentine economy appears to be losing ground to the more advanced countries. Following Ernesto Talvi, what are some of the factors responsible for this pattern? Do you find his arguments compelling? Why or why not?

145. Despite some progress in recent years, economic performance in Latin America has been disappointing. Following Ernesto Talvi (Latin America's Decade of Development-Less Growth), what are some of the factors underlying the region's inability to gain ground with respect to the advanced countries? What approaches might best reverse this pattern?

146. Claudio Frischtak (Demography, Technology, and All Other Things Considered) paints a fairly pessimistic picture of the global economy's future. What factors underlie his assessment? What implications does he draw for Brazil? Do you find his arguments compelling? Why or why not?

147. Guillermo Ortiz (The Challenges to Achieving Sustainable Growth in Latin America) presents a broad overview of the region's progress in recent years. What factors does he feel have improved the region's prospects? The factors that might impede future growth? What policies should the region consider implementing to assure a more prosperous future?

Asia

148. Lardy and Borst (Rebalancing the Chinese Economy) assess critical factors in the Chinese economy. Following their analysis what factors are responsible for the imbalances in the

economy? Why is it important for China to rebalance its economy? What factors might impede this rebalancing?

149. China in stepping up its global investments. According to the EIU (China Going Global Investment Index) a number of factors contribute to identifying successful investment situations for Chinese companies. What are some of these factors? Which countries appear to be the best investment destinations? What are some of the main patterns (index highlights) from the current index?
150. Karen Brooks (Indonesia and the Philippines) provides an interesting comparative analysis of the Indonesian and Philippine economies. What economic similarities do these countries share? Their differences? What must each do to sustain higher rates of growth?
151. Richard Katz (Voodoo Abenomics) is quite critical of Abenomics. What are his main criticisms of Abenomics? What does he feel must be done to revive the economy? Do you agree with his assessment? Why or why not?
152. Singapore has been one of the world's most successful counties over the last several decades. Following Linda Lim (Singapore's Success: After the Miracle) what were some of the keys to that success? What are some of the key challenges that lie ahead?
153. The IMF notes (The Big Split) that the global financial crisis has a major impact on emerging markets. In that report they examine some of the impacts in the ASEAN-4 countries.
154. What are some of the key patterns identifies? The factors underlying these developments?
155. 107 Based on the Asian Development Bank paper "Three Arrows of Abenomics and the Structural Reform of Japan" what are the key elements in Abenomics? What is the package of policies intended to accomplish and in what way? What other measures/policies to they feel may be necessary if the economy is to fully recover and resume steady growth?
156. Thailand is currently going through a very difficult period. One issue concerns the proper approach towards the economy. A controversial approach (Robert Looney, Thaksinomics Revisited). was initiated by former Prime Minister Thaksin Shinawatra following a poor recovery from the 1997 Asian Economic Crisis. Briefly outline his approach, or Thaksinomics. What appear to be its strengths and its weaknesses? What was it replaced with following Thaksin's removal from power? Do you feel this was a change for the better? Why or why not?
157. The Korean economy is going through a transition period after a period of falling growth. Following Wonhyuk Lim (From Rapid, Shared Growth to Slow Unshared Growth?) trace some of the changes in the Korean economy since the 1960s. What factors led to a period of shared growth? A period where growth was less shared? What must the country do to assure higher rates of growth in the future?
158. The Indonesian economy has great potential for high rates of economic growth. Yet following Maria Monica Wihardja (Growth Convergence and Income Distribution: A View for

Indonesia) a number of factors may cause the country to grow below its potential. What are these factors, and the policies need to address them?

159. Great things were expected from the Indian economy several years ago, but recent growth has been very disappointing. Following Rkesh Mohan and Muneesh Kaur (Secular Stagnation: Can India Buck the Trend) what factors are required for India to return to a high growth path? Do you find their arguments compelling? Why or why not?
160. Yang Yao (A New Normal but with Robust growth: China's Growth Prospects in the next 10 years) assesses China's growth prospects for the medium term. What factors does he see as affecting China's recent growth? What factors does he feel will critically affect China's growth rate over the next 10 years? Do you find his arguments compelling? Why or why not?

Middle East

119. The IMF's recent assessment (Arab Countries in Transition: Economic Outlook and Key Challenges) of the economic conditions in the MENA region identifies a number of challenges and risks facing the region. In your opinion what are the key problems facing the region? For three of the key countries covered in the report? What recommendations would you make concerning policy actions that these countries might undertake?

120. The oil boom in the United States is having some impact on the Gulf States. Following Carolyn Barnett (The New Energy Revolution and the Gulf) what are some of these impacts? How do their actions affect U.S. interests in the region?

111. Turkey is often held out as a model for other Middle Eastern countries. Following Gonul Tol (The Turkish Model in the Middle East) what might other countries in the region learn from Turkey? What obstacles may prevent these countries from emulating Turkey?

121. The Turkish economy has been doing well in recent years. Following Daniel Dombey describe the country's economic turn-around. What factors have contributed to this improved performance? What are some of the concerns for the future?

122. Often, commentators rush to predict the demise of the U.S. dollar. The latest theory in this regard (Robert Looney, "The Iranian Oil Bourse: A Threat to Dollar Supremacy?" centers on the possible dollar destabilizing effect brought on by the creation of an Iranian oil market with sales denominated in Euros instead of dollars as is the case in all other oil markets. How might the Iranian market undermine the dollar? What factors might offset any impact the Iranian market might have? Based on this discussion do you feel the Iranians have a powerful tool to use against the U.S.? Why or why not?

123. The IMF has had a number of controversial programs in developing countries. Outline the Fund's recent programs in Iraq (Robert Looney, "The IMF's Return to Iraq). What do you see as the strengths and weaknesses of the Fund's approach to Iraq's financing needs?

124. While many observers trade the origins of the Arab Spring to political and exclusionary factors, Mohsin Khan (The Economic Consequences of the Arab Spring) feels economic factors were equally important. Following his assessment how have economic factors affected the

post-Arab Spring recovery period? In this regard what have been some of the major positive developments? Negative developments? What are some of the areas that need improvement to assure higher rates of expansion and job creation in the future?

125. Saudi Arabia (Economic Convergence in Saudi Arabia) has made considerable economic progress in recent times. However, a closer look at the economy suggests that it is not converging with the more advanced countries. What factors have prevented convergence? What policy actions might the government consider to move the economy towards convergence?

126. Hafez Ghanem (Growth and Convergence in the Arab Region) looks at the economic progress of the Arab Countries in Transition (ACT countries) – Egypt, Jordan, Morocco, Tunisia and Yemen. What factors does he see as critical in successful transitions for these countries? What policy initiatives should these countries consider as a means of facilitating transition?