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University of Denver
Josef Korbel School of Int'l Studies
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Professor Ilene Grabel
Office: Sie Internat'l Relations Complex, Rm 1159
Phone: 303-871-2546
Off. Hrs.: days/times vary during the quarter, use
the link below to set an appointment.¹
Email: Ilene.Grabel@du.edu

INTS 4711
SHORT SEMINAR: ADVANCED TOPICS IN INTERNATIONAL
MONETARY RELATIONS
("PART II" OF INTERNATIONAL MONETARY RELATIONS, INTS 4320)

Course meets via Zoom, Wednesdays, 2-450pm (January 13-February 10, 2021)
Zoom course meeting code 825 4372 5009

Seminar Description:

This seminar focuses on debates concerning domestic and international monetary systems beyond matters examined in the International Monetary Relations course (INTS 4320). The possible topics to be discussed include: (1) US monetary power, the dollar order, currency wars, and currency manipulation; (2) the rise of capital controls and currency interventionism during and since the global crisis; (3) the Eurozone crisis of 2008-16 (and beyond); (4) offshore finance and the state; (5) the political economy of sovereign risk and credit rating agencies; (6) the SWIFT system, financial sanctions, and state power; (7) modern monetary theory; and (8) green finance: an examination of 'greening' central banking and the IMF, green economic recoveries, public and private sources of green finance, and green stress testing the financial system. I will assume that seminar participants already understand the basic workings of the international financial system. Accordingly, INTS 4320 must be completed prior to enrollment in INTS 4711.

Webster's dictionary defines a seminar as a "group of advanced students studying under a professor with each doing research and all exchanging results through reports and discussions." What you put in is what you get out, and the key to a seminar is your preparation, thought and participation. You will be required to read approximately 200 pages a week. You need to read the assignments far enough ahead to think, write and communicate about them with the class. The responses you will write to discussion questions and our conversations in the seminar will be the means by which we come to an understanding of the topics the group chooses to discuss.

Students who apply themselves to the materials in the seminar should be able to understand the economic and political logic of diverse positions taken in contemporary debates in domestic and international finance. Students should acquire the capacity to understand the theoretical,

¹ To set an appointment to see me during office hours please click on this link: <https://calendly.com/appt-with-ilene-grabel/office-hours-ilene-grabel?month=2021-01>. Once you make an appointment the Calendly app will generate a Zoom code for the meeting. Be in touch with me via email if you would like to meet with me at a time other than my office hours.

empirical, institutional, and historical underpinnings of the topics discussed in the seminar. My hope is that upon completing the seminar students will be able to participate intelligently in discussions of current and future policy challenges in domestic and international finance.

Student Submissions and Expectations:

Discussion Question Responses (also known as Quizzes)

Students will submit written responses to discussion questions that I pose each week, beginning in week two. *These will be due by 6pm on Tuesday, January 19; Tuesday, January 26; Tuesday, February 2; and Tuesday, February 9.* This exercise will provide you with the opportunity to synthesize, assess, and explore the relevance and implications of the required readings. Instructions and prompts for the quizzes will be in Canvas in the “Quizzes” section and should be submitted to me there as well.

Please download a copy or take a screenshot of your quiz before you submit it and keep it handy for our seminar meeting. It will be a helpful resource in connection with discussion the next day.

Seminar Participation, Community, and Readings

I expect active, regular participation in the seminar. It will be fun. We will learn a lot from one another. This is a great chance to work on your ability to speak in groups in a supportive environment. Please keep your screens on so that we maximize community.

In addition to our time together in the seminar meetings, students have the opportunity to exchange views in the “Discussion” board (in Canvas). This is a good place to share questions about the material, comments about things that strike you, opinions, matters that you hope to discuss when we meet, or interesting news stories or studies that bear on the topic for that week.

Weekly Readings:

Readings for the seminar are of two types—required and optional. *Each week you must read all of the required reading.* Try to read the required readings in the order that they appear on the course outline.

The optional readings are not required under any circumstances; they are there for those of you who may be interested in reading beyond the seminar or in pursuing future research on a particular topic.

How to Obtain Readings for the Seminar:

You can obtain the required readings from Canvas (these are in the “Modules” tab).

Please note that you can also find many of the readings on your own by using Jstor, Goldrush or Article Finder (on the Anderson website), Google, or Google Scholar. Please plan for

problems with Canvas—this means that you should obtain course materials well in advance of the time that a particular reading has been assigned. *If Canvas is not functioning or if you have trouble downloading an item from Canvas, please first try to obtain the reading on your own using Google/Google Scholar/ Goldrush/Jstor/Article Finder or other resources available through the Anderson Academic Commons website.*

Note that with only a few exceptions optional readings are not available through Canvas (but you may find many of them on your own).

Grading:

Course grades will be determined by two factors: four quizzes (together they account for 80% of the grade, each quiz accounts for 20%); and seminar participation (20% of grade).

In order to avoid confusion about final grades, please note the obvious: if you choose NOT to participate in seminar discussions (or do so only on the rarest of occasions) a grade of zero for seminar participation will figure into your weighted average. And, needless to say, completing the readings and quizzes each week is essential to effective participation.

SEMINAR OUTLINE

SESSION 1 (JANUARY 13)

INTRODUCTION TO THE SEMINAR: OVERVIEW OF KEY DEVELOPMENTS AND DEBATES IN THE GLOBAL FINANCIAL ARENA

What are the most pressing challenges facing policymakers in the global financial arena? What are the key fault lines among academics who study global finance? What are some of the key issues in global finance that you most likely to confront in your post-Korbel career? And what we will do in this seminar?

There are no required readings for the first meeting of the seminar. However, attendance at this meeting is critical. I will be delivering a lecture during our first meeting that provides an overview of the key issues, debates, and policy challenges confronting those who study or work in global finance. This material will provide the context for the subject matter to be discussed for the next four weeks. We will also, of course, discuss the specifics of the course, e.g., requirements, the syllabus, etc.

If you want to read two papers that might surprise you before the term begins, please see Arcand, Enrico Berkes and Ugo Panizza, "[Too Much Finance](#)," IMF Working Paper No. 161, June 2012. It raises the provocative question of whether finance (after a certain level) can be a drag on economic growth. The answer is yes. In this paper, Malcolm Sawyer (2017). The processes of financialisation and economic performance, *Economic and Political Studies*, 5:1, 5-20, also argues from a post-Keynesian perspective that there can be too much finance. He also concludes that too much finance (which he discusses in terms of "financialization") has other negative effects on the

economy beyond being a drag on economic growth. These optional readings are both in the Introductory “Module” in Canvas.

I will leave the "Discussion" board in Canvas open in case anyone would like to post anything there between January 4 and January 12 at 6pm. For example, if you choose to read the optional reading, do you have a one sentence opinion on it; is there anything in the financial news that strikes you as interesting or that you wish you understood better; or any thoughts on the topics you will later be voting on. The use of the discussion board before the class begins is an experiment--I'd like to see if it helps build community and dialogue in the short seminar format. If you do post something, you can keep it very short—one sentence, one bullet point, one question.

I know you are already in the habit of following global financial news. I am a financial news addict, as you know. We will *always* connect the financial news to what we are studying. I encourage you to raise issues that come up in the financial news—we can always discuss them in class or privately, and I can clarify any issues or terminology that you find unclear. The best sources of financial news are as follows: the International Monetary Fund’s (IMF) [IMF Survey](#), the IMF’s magazine [Finance and Development](#), the business section of the *New York Times*, the *Financial Times* (newspaper), and *The Economist* (magazine). Note that you have free access to the *New York Times*, *Wall Street Journal*, and *The Economist* as a DU student. See the information on how to access these publications in the “Announcements” section of Canvas.

Seminar participants will select four issues from the following list to be discussed over the subsequent four weeks. (1) US monetary power, the dollar order, currency wars, and currency manipulation; (2) the rise of capital controls and currency interventionism during and since the global crisis; (3) the Eurozone crisis of 2008-16 (and beyond); (4) offshore finance and the state; (5) the political economy of sovereign risk and credit rating agencies; (6) the SWIFT system, financial sanctions, and state power; (7) modern monetary theory; and (8) green finance: an examination of ‘greening’ central banking and the IMF, green economic recoveries, public and private sources of green finance, and green stress testing the financial system.

Please be prepared to vote on topics to be discussed. The vote will be administered through Doodle.com immediately after our first meeting, and your votes will be due by 9am on Thursday, January 14. I will report on the results of the vote (and hence the topics to be discussed) by the afternoon of Thursday, January 14. After I report on the results of the vote (to be taken immediately after our first meeting) you may wish to record the topics and dates below.

Wednesday, January 20: Topic 1 _____

Wednesday, January 27: Topic 2 _____

Wednesday., February 3: Topic 3 _____

Wednesday, February 10 : Topic 4 _____

TOPIC #1

US MONETARY POWER, THE DOLLAR ORDER, CURRENCY WARS, AND CURRENCY MANIPULATION

Did the global crisis undermine or strengthen the US’ monetary power (i.e., the global power of

the US Federal Reserve, the role of the US dollar as an international reserve asset, and the ability of US policymakers to promote financial liberalization as a global norm)? What was involved in the “currency war” that garnered so much attention during and after the global financial crisis? In what ways did the Trump administration (including the US Department of the Treasury) influence the standing and value of the US dollar? What is meant by the practice (or allegation) of “currency manipulation,” and why was there so much conflict around this matter in the last few years? Whatever happened to the idea of organizing the international currency system around a new international reserve asset (modeled on the SDR)? Why has the dollar depreciated during the Covid-19 crisis? Does this imply that we are witnessing the end of a dollar-led global financial order? Would a stronger US dollar benefit the US economy, other advanced economies, countries of the global south and global east? Does an American order imply a dollar order?

Required readings:

- Norrlöf, Carla et al. Global Monetary Order and the Liberal Order Debate. *International Studies Perspectives*, (2020) 21, 109–153.
- Grabel, Ilene, “Post-American Moments in Contemporary Global Financial Governance,” *Political Economy Research Institute Working Paper No. 511*, University of Massachusetts-Amherst, December 2020.
- Jonathan Kirshner, *American Power After the Financial Crisis*, Ithaca: Cornell University Press, 2014. Read chs. 1, 6-8.
- Paulson Jr., Henry, “U.S. Financial Power Depends on Washington, Not Beijing,” *Foreign Affairs*, May 19, 2020.
- Subacchi, Paola, “Locking China Out of the Dollar System,” *Project Syndicate*, October 21, 2019.
- Frankel, Jeffrey, “How a Weaponized Dollar Could Backfire,” *Project Syndicate*, October 23, 2019.
- El-Erian, Mohamed A., “Reading the Dollar Doldrums,” *Project Syndicate*, August 11, 2020.
- Eichengreen, Barry, “Dollar Sensationalism,” *Project Syndicate*, August 12, 2020.
- Helleiner, E., “The New Politics of Global Reserve Reform,” *Journal of Globalization and Development*, 2010, pp. 1-12.
- US Treasury Department, *Macroeconomic and Foreign Exchange Policies of Major Trading Partners of the United States*, December 2020, skim pp. 1-11 & pp. 63-68

Optional readings:

- Norrlöf, Carla, “Dollar Hegemony: A Power Analysis,” *Review of International Political Economy*, 2014, 21(5), pp. 1042-1070. (in Canvas)
- Eric Helleiner, “Downsizing the Dollar in the Age of Trump,” *Brown Journal of International Affairs*, Spring/Summer 2017, XXIII, Issue 11, pp. 9-27.
- Eric Helleiner, *The Status Quo Crisis: Global Financial Governance After the 2008 Meltdown*. Oxford and New York, Oxford University Press, 2014, chapter 3. (in Canvas)
- Prasad, Eswar S. *The Dollar Trap*, Princeton and Oxford: Princeton University Press, 2014.

TOPIC #2

THE RISE OF CAPITAL CONTROLS AND CURRENCY INTERVENTIONISM DURING AND SINCE THE GLOBAL CRISIS

Why did controls over international capital movements emerge as a legitimate policy tool during the global crisis? What factors explain the rise of capital controls, and what are the economic and political costs and benefits of this tool? To what extent did currency market interventions become normalized during the crisis, and with what effects on domestic economies and international relations? To what extent are we likely to see new capital controls in response to the flight of capital to US markets and increases in global financial volatility as a consequence of the Covid-19 crisis?

Required readings:

Keynes, John Maynard, "National Self Sufficiency," Yale Review, 1933, 22(4), pp. 755-69.

Grabel, Ilene, When Things Don't Fall Apart: Global Financial Governance and Developmental Finance in an Age of Productive Incoherence, Cambridge: The MIT Press, 2017. Read chapter 7.

Grabel, Ilene, "Post-American Moments in Contemporary Global Financial Governance," Political Economy Research Institute Working Paper No. 511, University of Massachusetts-Amherst, December 2020, read pp. 10-top of p. 14.

Ghosh, Atish R., and Mahvash S. Qureshi. 2016. "What's in a Name? That Which We Call Capital Controls." IMF Working Paper No. 25. Washington, DC: International Monetary Fund, February. <https://www.imf.org/external/pubs/ft/wp/2016/wp1625.pdf>.

Chwieroth, Jeffrey, "Managing and Transforming Policy Stigmas in International Finance: Emerging Markets and Controlling Capital Inflows After the Crisis," Review of International Political Economy, 2015, 22(1), 44-76.

Silla Sigurgeirsdóttir and Robert H. Wade, "From Control by Capital to Control of Capital: Iceland's Boom and Bust, and the IMF's Unorthodox Rescue Package," Review of International Political Economy, 2015, 22(1), 103-33.

Moschella, Manuela, "Currency Wars in the Advanced World: Resisting Appreciation at a Time of Change in Central Banking Monetary Consensus," Review of International Political Economy," 2015, 22(1), 134-61.

TOPIC #3

THE EUROZONE CRISIS OF 2008-16 (AND BEYOND)

What happened in the Eurozone? And exactly happened in Greece? Was the Troika (i.e., the partnership among the European Commission, the European Central Bank, and the IMF) a useful partnership? Is the Troika a good model for coordinated responses to other financial crisis in other regions? Did the end of Greece's assistance package in August 2018 mean that Greece and Europe are 'out of the woods'? What are the prospects that the euro will become an international currency? Should we expect that struggling economies will remain in the Eurozone? What challenges confront ECB President Lagarde, particularly in connection with responding to the economic challenges of the Covid-19 crisis? For instance, how does the recent decision to consider the US Fed's revised approach to inflation targeting relate to President Lagarde's effort to increase the effectiveness of ECB responses to Covid-19 related economic slowdowns? What might a better European financial system look like?

Required readings:

Henning, C. Randall, Tangled Governance: International Regime Complexity, the Troika, and the

- Euro Crisis, Oxford: Oxford University Press, 2017. Read pp. 32-36 (begin at the subheading “Main arguments”) and chapter 4.
- Blustein, Paul, “Laid Low: The IMF, the Eurozone, and the First Rescue of Greece,” CIGI Papers, No. 61, April 2015.
- Jones, Erik, “The Forgotten Financial Union: How You Can Have a Euro Crisis Without a Euro, in *The Future of the Euro*, Matthias Matthijs and Mark Blyth (eds), Oxford: Oxford University Press, 2015, pp. 44-69
- Helleiner, Eric, “The Future of the Euro in a Global Monetary Context, in *The Future of the Euro*, Matthias Matthijs and Mark Blyth (eds), Oxford: Oxford University Press, 2015, pp. 233-48.
- Stiglitz, Joseph, “Toward a Financial System That Serves Society” (ch. 5, pp. 1-19) of *Rewriting the Rules of Europe: An Agenda for Growth and Shared Prosperity*, W.W. Norton & Co., 2020.
- See the collection of news stories in the folder in Canvas.

TOPIC #4

OFFSHORE FINANCE AND THE STATE

What is offshore finance? What is “on shore offshore finance”? What are the implications of offshore finance for governance, state capacity and legitimacy, tax collection, and illicit activities? To what extent is offshore finance a developmental strategy that has positive linkages to the broader economy? Is offshore finance associated with particular state or economic conditions? To what extent is inter- and intra-state competition fueling the rise of off shore and on shore off shore finance Are Albert Hirschman’s concepts of exit and voice relevant to understanding off shore finance?

Required readings:

- Ronen Palan, *The Offshore World: Sovereign Markets, Virtual Places, and Nomad Millionaires*, Ithaca, NY: Cornell University Press, 2003. Read chapter 1.
- Hampton, Mark, “Offshore pariahs? Small island economies, tax havens, and the re-configuration of global finance,” *World development*, 30(9), 2002, pp. 1657-73.
- Warf, Barney, “Tailored for Panama: Offshore banking at the crossroads of the Americas,” *Geografiska annaler*, 84(1), 2002, pp. 33-47
- Palan, Ronen, “The Governance of Black Holes in the Global Economy: Shadow Banking and ‘Offshore’ Finance,” *Handbook of Global Economic Governance: Players, Power, and Paradigms*, Maneula Moscella and Catherine Weaver, eds., pp. 186-200. Abingdon: Routledge, 2014
- Jason Sharman, “Offshore and the new international political economy,” *Review of International Political Economy*, 2010, 17(1), 1-19.
- Andrea Binder (2019) All exclusive: the politics of offshore finance in Mexico, *Review of International Political Economy*, 2020, 26(2), 313-336, DOI: 10.1080/09692290.2019.1567571
- See the discussion of the “Panama Papers” in the News Stories folder in Canvas

TOPIC #5

THE POLITICAL ECONOMY OF SOVEREIGN RISK AND CREDIT RATING AGENCIES

What are the origins of credit rating agencies? How do they work and what models do they utilize? Do the models of credit rating agencies perform well? Are biases (in regards to economic policy choices or models and corporate governance) “baked” into the metrics utilized by the rating agencies? Do credit ratings lead or follow financial instability? Do credit rating agencies exercise private authority over states and multilateral development banks? Are rating agencies a part of the increasingly privatized nature of global governance? What is your assessment of proposals that have been advanced to improve the performance of rating agencies and reduce the degree to which the industry is marred by conflicts of interest?

Required readings:

- Sinclair, Timothy, “Passing Judgement: Credit Rating Processes as Regulatory Mechanisms of Governance in the Emerging World Order,” *Review of International Political Economy*, Spring, 1994, Vol. 1, No. 1 (Spring, 1994), pp. 133-159, **OR** The Problems with Credit Rating Agencies, lecture by Professor Timothy Sinclair, University of Warwick, June 22, 2011, video <https://www.youtube.com/watch?v=kKjhAbwSbxw>
- John Kiff, Sylwia Nowak, and Liliana Schumacher, “Are Rating Agencies Too Powerful: An Investigation into the Impact and Accuracy of Sovereign Ratings, IMF Working Paper No. 23, January 2012.
- Humphrey, Chris, “He Who Pays the Piper Calls the Tune: Credit Rating Agencies and Multilateral Development Banks,” University of Zurich, January 2017.
- El-Shagi, Makram, “The Role of Rating Agencies in Financial Crises: Event Studies from the Asian Flu,” *Cambridge Journal of Economics*, 2010, 34, pp. 671-85.
- Giselle Datz, “Reframing Development and Accountability: The Influence of Sovereign Credit Ratings on Policymaking in Developing Countries, *Third World Quarterly*, 2004, 25(2), pp. 303-318. Read only pp. 303-312 (i.e., omit the case study of Argentina).
- Biglaiser, Glen and Karl DeRouen Jr., “Sovereign Bond Ratings and Neoliberalism in Latin America,” *International Studies Quarterly*, 2007, 51, pp. 121-138.
- United Nations Conference on Trade and Development, *Trade and Development Report 2019*, New York: United Nations, pp. 164-top of p. 165.

Optional readings:

- Rawi Abdelal, chapter 7 “A Common Language of Risk: Credit-rating Agencies and Sovereigns,” in *Capital Rules: The Construction of Global Finance*, Cambridge: Harvard University Press, 2007.
- Timothy Sinclair, *The New Masters of Capital: American Bond Rating Agencies and the Politics of Creditworthiness*, Ithaca and London: Cornell University Press, 2005.
- Elkhoury, Marwan, “Credit Rating Agencies and Their Impact on Developing Countries,” UNCTAD Working Paper No. 86, January 2008.
- Lake, David, “Rightful Rules: Authority, Order, and the Foundations of Global Governance,” *International Studies Quarterly*, 2010, 54, pp. 587-613. Skim the body of the article to grasp the general arguments about global governance and authority (especially private authority) and states. Ignore the first two case studies and focus your attention on the case study of credit rating agencies pp. 604-07. (In Canvas)

TOPIC #6**THE SWIFT SYSTEM, FINANCIAL SANCTIONS, AND STATE POWER**

How did the SWIFT system emerge? What role does it play in the global financial system? In what ways does SWIFT reflect and amplify American power, particularly financial power? What is the relationship between SWIFT and financial sanctions? What are primary versus secondary sanctions? What efforts are underway to develop alternatives to SWIFT? Are these SWIFT alternatives intended to ring fence American financial power and create alternative nodes of power in global finance? Do SWIFT alternatives have the potential to constrain or at least reduce exposure to American financial power (through sanctions and other tools)?

Required readings:

Scott, Susan V. and Markos Zachariadis, "Origins and development of SWIFT, 1973–2009," *Business History*, 54:3, 462-482. SKIM

Farrell, Henry and Abraham Newman, Weaponized Interdependence: How Global Economic Networks Shape State Coercion, *International Security*, Vol. 44, No. 1 (Summer 2019), pp. 42–79.

de Goede, Marieke, "Finance/security infrastructure," *Review of International Political Economy*, 2020, <https://doi.org/10.1080/09692290.2020.1830832>

Dörry, Sabine, Gary Robinson, and Ben Derudder, "There is No Alternative: SWIFT as Infrastructure Intermediary in Global Financial Markets," Financial Geography Working Paper Series ISSN 2515-0111, December 2018.

Grabel, Ilene, "Post-American Moments in Contemporary Global Financial Governance," Political Economy Research Institute Working Paper No. 511, University of Massachusetts-Amherst, December 2020, read pp. 8-9.

Campanella, Miriam, "Far-Reaching Consequences of US Financial Sanctions," Centro Studi Sul Federalismo, Robert Triffin International June 2019.

Leonard, Mark ed. Connectivity Wars: Why Migration, Finance, and Trade Are the Geo-economic Battlegrounds of the Future," European Council on Foreign Relations, read Clara Portela, "How the EU Learned to Love Sanctions," pp. 36-43 and Ulrike Esther Franke, "Why Emerging Countries are Hedging Against the Global Finance System," pp. 179-88.

See the collection of news stories on this subject in Canvas

TOPIC #7**MODERN MONETARY THEORY**

What is modern monetary theory? Is it really something "modern" (in the sense of being new)? Is it really a theory? What are its chief policy implications? Are its policy implications viable for all countries (or just for some countries, e.g., countries whose currencies are official reserve assets)? Why did so many get on board with modern monetary theory, especially around 2018/9? Are the arguments of critics well founded?

Required readings:

Real-World Economics Review Symposium, "Modern Monetary Theory and Its Critics," *Real-World Economics Review*, No. 89, December 1, 2019. Read the following contributions:

“Introduction: Whither MMT?” by the Editors; “Alternative Paths to Modern Monetary Theory” by L. Randall Wray; “Monetary Sovereignty is a Spectrum: Modern Monetary Theory and Developing Countries” by Bruno Bonizzi, Annina Kaltenbrunner, and Jo Mitchell; “Are Modern Monetary Theory’s Lies ‘Plausible Lies’” by David Colander. Epstein, Gerald, “The Institutional, Policy, and Empirical Limits of ‘Modern Monetary Theory,’” Political Economy Research Institute Working Paper No. 481, March 2019. Project Syndicate symposium, “Modern Monetary Disagreement,” Project Syndicate, March 4, 2019.

Optional readings:

Roberts, Michael, “Modern Monetary Theory: A Marxist Critique,” *Class, Race, and Power*, 2019, 7(1), <https://digitalcommons.fiu.edu/classracecorporatpower> (in Canvas)
 Shiller, Robert, “Modern Monetary Theory Makes Sense Up to a Point,” *New York Times*, March 29, 2019.

ISSUE #8

GREEN FINANCE: AN EXAMINATION OF “GREENING” CENTRAL BANKING AND THE IMF, GREEN ECONOMIC RECOVERIES, PUBLIC AND PRIVATE SOURCES OF GREEN FINANCE, AND GREEN STRESS TESTING THE FINANCIAL SYSTEM

In what ways does the climate crisis aggravate financial and monetary instability (on both the macroeconomic and the microeconomic/firm level)? What is involved in greening central banking? Is monetary policy an instrument for promoting sustainability, and to what extent are central banks and financial regulators getting on board with this initiative? What is involved in climate stress tests of the financial system? What is involved in discussions of green economic recoveries from the Covid-19 crisis? What are the private and public sources of green finance and are they adequate? Is green private finance associated with the financialization (and securitization) of nature? Is private green finance a fantasy?

Boait, Fran, Green Central Banking, *Commonwealth*, July 8, 2019.

Bolton, Patrick, Morgan Despres, Luiz Awazu, Pereira Da Silva, Frédéric Samama, and Romain Svartzman, “The Green Swan: Central Banking and Financial Stability in the Age of Climate Change,” Bank for International Settlements, January 2020. Skim section 1, read sections 2.3-2.5, and read section 4.

Carney, Mark, “Fifty Shades of Green,” *Finance and Development*, International Monetary Fund, December 2019, pp. 12-15.

Rudebusch, Glenn, “Climate Change and the Federal Reserve,” *Federal Reserve Bank of San Francisco Economic Letter*, March 25, 2019.

Mazzucato, Mariana, Josh Ryan-Collins, and Asker Voldsgaard, “Central Banking’s Green Mission,” Project Syndicate,” December 8, 2020.

Battiston, Stefano, Antoine Mandel, Irene Monasterolo, Franziska Schütze, and Gabriele Visentin A Climate Stress Test of the Financial System, *Nature, Climate, Change*, 2017, pp. 1-6.

Volz, Ulrich, “Investing in a Green Recovery: Climate Change and Covid-19,” *Finance and Development*, IMF, September 2020, Foreign Policy, October 20, 2020.

Pollin, Robert, “How Do We Pay for a Zero-Emissions Economy,” *American Prospect*, December 5, 2019.

Tooze, Adam, “Welcome to the Final Battle for the Climate,” *Foreign Policy*, October 17, 2020. Focus on the end of the article (starting at “if history tells us nothing”) where finance for decarbonization is discussed in relation to the Belt and Road Initiative.

FIAN International, Transnational Institute, and Focus on the Global South. “Rogue Capitalism: The Financialisation of Territories, and Nature,” September 2020. Read section “Putting a Price Tag on Nature: The Green Economy,” pp. 9-12 and 51-55.

Gabor, Daniela, “Securitization for Sustainability,” Heinrich Böll Stiftung Foundation, October 2019.

See the collection of news stories on this subject in Canvas

Optional reading:

Transnational Institute, “Financialisation: A Primer,” September 2018, Transnational Institute. See pp. 2-7 on the concept of financialization and its drivers; p. 26 on the financialization of nature.

Philip Mader, Daniel Mertens, Natascha van der Zwan, *Financialization: An Introduction*, in *International Handbook of Financialization*, London and New York: Routledge, April 2019, forthcoming 2020.