



BPE- Fall 2014

Profs. Ingo Walter and Michael Posner
Fall 2014

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Course Description:

This course focuses on two central dimensions of the global business environment, human rights and the financial architecture. It seeks to provide students with diagnostics and frameworks for understanding key disparate forces that bear on the modern business firm from the perspective of growth, explicit and implicit costs and risks faced by managements and shareholders.

The first module, taught by Michael Posner, focuses on issues relating to human rights that affect global businesses. It examines the origins of the human rights movement after World War Two, the global standards that have emerged, and how these standards apply to businesses. It then examines the relationship between large multinational companies and weak states, the particular human rights challenges that arise in different industries, and how companies in each industry are responding to these challenges.

The second module of this course, taught by Ingo Walter, provides students with a broad and rigorous understanding of (i) How the global financial system works and what purposes it serves, (ii) What the major elements are and how they operate, and (iii) What challenges the global financial system creates for public policy makers. In seeking to achieve these objectives, this module provides a perspective that helps students understand and make the most of their own professional opportunities.

Recent global financial turbulence has demonstrated both how important the financial system is to the world economy and how complex it is. Financial systems are centered on key institutions, instruments and markets. But they also involve governments, public policy and regulation. They span the globe from the US, the EU and Japan to Russia, China and the Emerging Markets. In critical ways, country-level financial architectures are integrating to form a more seamless, high-performance whole. This is good for efficiency, innovation and growth, yet it also amplifies problems during times of crisis.

Faculty:

Michael Posner is Professor of Business and Society and Director of the Center for Business and Human Rights.

Ingo Walter is Seymour Milstein Professor of Finance, Corporate Governance and Ethics.

Schedule:

The class meets on Tuesdays and Thursday from 3:30 pm to 4:50 pm. The first class is on September 2nd and the last class is on December 11th.

Class Participation:

We like to teach with lots of classroom discussion and initiatives taken by individual students to research things that are of interest to them and bring them up in class.

Course Requirements:

The course requires four individually authored 1,000-word “Op-eds” submitted by each student. No group work. No use of material from other sources without quotation marks and with careful footnoting and attribution to avoid questions of plagiarism.

There are closed-book mid-term and final examinations.

Textbook & Readings

There is no textbook for this course. All assigned readings will be posted on NYU Classes under “Resources.” The URL is:

Grading:

At NYU Stern, we strive to create courses that challenge students intellectually and that meet the Stern standards of academic excellence. To ensure fairness and clarity of grading, the Stern faculty has agreed that for elective courses the individual instructor or department is responsible for determining reasonable grading guidelines. The grading weights for this course are as follows:

- Op-eds (4) 40%

- Midterm exam 25%
- Final exam 25%
- Class participation 10%

Note: We will award grades of “A” or “A-” to approximately 35% of students.

General Conduct and Behavior:

Students are expected to maintain and abide by the highest standards of professional conduct and behavior. Please familiarize yourself with Stern's Policy in Regard to In-Class Behavior & Expectations (<http://www.stern.nyu.edu/portal-partners/current-students/undergraduate/resources-policies/academic-policies/index.htm>) and the NYU Disruptive Behavior Policy (<http://www.nyu.edu/about/policies-guidelines-compliance/policies-and-guidelines/bullying--threatening--and-other-disruptive-behavior-guidelines.html>).

Academic Integrity Above All:

Integrity is critical to the learning process and to all that we do here at NYU Stern. As members of our community, all students agree to abide by the NYU Stern Student Code of Conduct, which includes a commitment to: (a) Exercise integrity in all aspects of one's academic work including, but not limited to, the preparation and completion of exams, papers and all other course requirements by not engaging in any method or means that provides an unfair advantage. (b) Clearly acknowledge the work and efforts of others when submitting written work as one's own. Ideas, data, direct quotations (which should be designated with quotation marks), paraphrasing, creative expression, or any other incorporation of the work of others should be fully referenced. (c) Refrain from behaving in ways that knowingly support, assist, or in any way attempt to enable another person to engage in any violation of the Code of Conduct. Our support also includes reporting any observed violations of this Code of Conduct or other School and University policies that are deemed to adversely affect the NYU Stern community.

The entire Stern Student Code of Conduct applies to all students enrolled in Stern courses and can be found here: www.stern.nyu.edu/uc/codeofconduct

To help ensure the integrity of our learning community, all assignments that you submit via the course's NYU Classes website will be routed through Turnitin, which will compare your submission to a database of prior submissions, current and archived Web pages, periodicals, journals, and publications. Your document will automatically become part of the Turnitin database.

Students with Disabilities

If you have a qualified disability and will require academic accommodation of any kind during this course, you must notify the instructors at the beginning of the course and provide a letter from the Moses Center for Students with Disabilities (CSD) at Tel. (212) 998-4980 or www.nyu.edu/csd) verifying your registration and outlining the accommodations the Center staff recommends. If you will need to take an exam at the CSD, you must submit a completed Exam Accommodations Form (EAF) to them at least one week prior to the scheduled exam time to be guaranteed the alternative venue.

Course Outline

Session 1 (Posner & Walter) – 2 September

Discussion:

- Navigating in a complex global environment
- Text to be supplied

Assigned Readings:

Session 2 (Posner) - 4 September

Discussion:

The origins of the international Human Rights movement

- Human rights and the United Nations
- The Universal Declaration of Human Rights
- The development of international legal standards

Assigned Readings:

Universal Declaration of Human Rights (1948)
<http://www.un.org/en/documents/udhr/index/shtml>

International Covenant on Civil and Political Rights
<http://www.ohchr.org/en/professionalinterest/pages/CCPR.aspx>

International Covenant on Economic , Social and Cultural Rights
<http://www.ohchr.org/en/professionalinterest/pages/cescr.aspx>

Session 3 (Posner) - 9 September

Discussion:

Implementation of Human Rights standards by states

- The relationship between national governments, regional organizations and the United Nations
- How does the international system respond to diminished state capacity
- Different avenues for remedies for the victims of human rights violations; national courts, international tribunals and non-judicial remedies

Assigned Readings

Universal Periodic Review of the United States, report submitted to the United Nations -2010

<http://www.state.gov/documents/organization/146379.pdf>

Posner, Michael, "The Four Freedoms Turn 70" The American Society of International Law's 105th meeting, March 2011, Washington D.C.

<http://state.gov/i/drl/rls/rm/2011/159195.htm>

Dicker, Richard, "ICC- the Court of Last Resort", Foreign Policy

<http://www.hrw.org/news/2012/06/29/icc.court-last-resort>

Session 4 (Posner) - 11 September

Discussion:

The Role of Business in the Age of Globalization

- Expansion of market economies
- Growth in the size and influence of multinational corporations
- Relative decline in state power
- Increased information flows in the digital era
- The expansion of civil society
- Changing expectations on the role and responsibility of the private sector

Assigned Readings:

Friedman, Milton (1970): "The Social Responsibility of Business is to Increase its Profits," *New York Times Magazine*, September 13, 1970.

<http://www.colorado.edu/studentgroups/libertarians/issues/friedman-soc-resp-business.html>

Annan, Kofi (1999): A Compact for a New Century. Secretary-General proposes Global Compact on Human Rights, Labor, Environment, in address to World Economic Forum in Davos, February 1, 1999.

<http://www.un.org/News/Press/docs/1999/19990201.sgsm6881.html>

Auret Van Heerden: TED talk: Making Global Labor Fair

https://www.ted.com/talks/auret_van_heerden_making_global_labor_fair

Session 5. (Posner) - 16 September

Discussion:

Setting Standards for Business with respect to Human Rights

- Self-regulation by companies (1990s)
- The UN Norms on Business and Human Rights (2003)
- The UN Global Compact
- The UN Guiding Principles on Business and Human Rights
- The emergence of industry-wide approaches

Assigned Readings:

Norms on the Responsibilities of Transnational Corporations and Other Business Enterprises with Regard to Human Rights (2003)

<http://www.unhcr.ch/huridocda/huridoca.nsf/%28Symbol%29/E.CN.4.Sub.2.2003.12.Rev.2.En>

UN Guiding Principles on Business and Human Rights. Implementing the United Nations "Protect, Respect and Remedy" Framework

http://www.ohchr.org/Documents/Publications/GuidingPrinciplesBusinessHR_EN.pdf

Ruggie, John (2011): Sir Geoffrey Chandler Speaker Series. London, January 11, 2011.

<http://www.business-humanrights.org/media/documents/ruggie/john-ruggie-presentation-at-rsa-in-london-11-jan-2011.pdf>

Vogel, David (2008): "Private Global Business Regulation". Annual Review of Political Science, 11: pp. 261–82
<http://www.annualreviews.org/doi/abs/10.1146/annurev.polisci.11.053106.141706>

Session 6. (Posner) - 18 September

Discussion:

Government Regulation of Global Businesses

Home Country Regulation of Global Companies

- Federal and State Regulation:
- Foreign Corrupt Practices Act
- GHRVITY Executive Order – (Syria and Iran)
- California Anti-Trafficking Legislation

Global Reporting Requirements

- Dodd-Frank –Section 1502
- Burma Reporting Requirements
- Judicial sanctions:
- Alien Tort Claims Act
- Torture Victims Protection Act

Assigned readings

Laval, Pierre N. (2013): The Long Arm of International Law: Giving Victims of Human Rights Abuses Their Day in Court. Foreign Affairs 92 (2) (Mar/Apr 2013): 16-VI.
<http://www.foreignaffairs.com/articles/138810/pierre-n-leval/the-long-arm-of-international-law> (Also available on NYU Classes)

Dahlia Lithwick (2012): "Supreme Court Says Corporations have a right to free speech. But do they get away with murder? Justice on the High Seas, February 28, 2012.
http://www.slate.com/articles/news_and_politics/supreme_court_dispatches/2012/02/the_supreme_court_considers_whether_royal_dutch_shell_is_immune_from_liability_for_human_rights_abuses_because_it_is_a_corporation.html

“Dodd-Frank Wall Street Reform and Consumer Protection Act” (2010):
<http://www.sec.gov/about/laws/wallstreetreform-cpa.pdf>

Burma responsible investment reporting requirements (2013):
<http://www.humanrights.gov/2012/07/11/burmaresponsibleinvestment/>

Session 7. (Posner) - 23 September

Discussion:

The Emergence of the Multi-Stakeholder Model

- How multi-stakeholder initiatives evolved in the 1990s
- Why companies help form and join these initiatives
- The relationship between companies and other stakeholders- governments, NGOs, universities, social investors
- The strengths and weaknesses of the multi-stakeholder model

Assigned Readings:

Victoria and Glenn R. Carroll, “Monitoring Factories Around the Globe: The Fair Labor Association and The Workers Rights Consortium,” Stanford Graduate School of Business, June 10, 2008. Prod. #: SI108-PDF-ENG.
Available for purchase (\$6.95) at: <http://hbr.org/product/monitoring-factories-around-the-globe-the-fair-labor-association-and-the-workers-rights-consortium/an/SI108-PDF-ENG>

O’Rourke, D. (2006): “Multi-stakeholder Regulation: Privatizing or Socializing Global Labor Standards?” *World Development*, 34(5): 899-918.
<http://www.sciencedirect.com/science/article/pii/S0305750X06000295>

Posner, Michael (2012): Summary Remarks by the Assistant Secretary Posner to the Robert F. Kennedy Compass Conference, June 26, 2012. Hyannis Port, Massachusetts
<http://www.humanrights.gov/2012/09/10/summary-of-remarks-by-assistant-secretary-posner-to-the-rfk-compass-conference/>

Session 8: (Posner) - 25 September

Discussion:

Implementation of Human Rights Standards – The Information /Technology Sector

- Challenges to Internet freedom
- Focus on China, Iran and Turkey
- Challenges to Privacy
- China, US(NSA/Snowden), elsewhere
- Provision of Surveillance technology to repressive governments
- Challenges to the multi-stakeholder governance model
- European Telcos – partnerships with rights-violating governments
- Global Network Initiative

Assigned Readings:

Sucher, Sandra J. and Daniel Baer, “Yahoo! in China (A),” Harvard Business School, February 4, 2009. Prod. #: 609051-PDF-ENG.

Available for purchase (\$6.95) at: http://hbr.org/product/a/an/609051-PDF-ENG?cm_sp=doi-_-case-_-609051-PDF-ENG&referral=00103

Hillary Clinton, former Secretary of State, “Internet Rights and Wrongs: Choices & Challenges in a Networked World,” George Washington University, Washington, D.C., February 15, 2011.

<http://www.state.gov/secretary/rm/2011/02/156619.htm>

Downes, Larry, “Requiem for Failed UN Telecom Treaty: No One Mourns the WCIT,” Forbes, December 17, 2012.

<http://www.forbes.com/sites/larrydownes/2012/12/17/no-one-mourns-the-wcit/>

Labowitz, Sarah, “Tech companies must push back on NSA snooping,” San Francisco *Chronicle*, July 3, 2013. <http://www.sfchronicle.com/opinion/openforum/article/Tech-companies-must-push-back-on-NSA-snooping-4644064.php?t=ebde74fa7acefdcb88>

Global Network Initiative website: www.globalnetworkinitiative.org

Session 9: (Posner) - 30 September

Discussion:

Implementation of Human Rights Standards: the Extractive Industries

- Security of assets and people in the oil, gas and mining industries
- Conflict minerals in the DRC
- Entering new markets – the Burma model
- Regulating the conduct of Private security contractors
- Multi-stakeholder responses – the Voluntary Principles on Security and Human Rights (2000), The International Code of Conduct for Private Security Service Providers (2013)

Assigned reading:

Hennchen, E. and Lozano, L. M. (2011): “Mind the Gap: Royal Dutch Shell’s sustainability agenda in Nigeria” (2011). ESADE-CA- 001113-ENG.
Available at: <http://www.oikos-international.org/academic/case-collection/inspection-copies/alphabetical-list/shell.html>

Albin-Lackey, Chris, “Responsible Mining: Companies Can't Go it Alone,” Human Rights Watch blog, February 10, 2011.
Available at: <http://www.hrw.org/news/2011/02/10/responsible-mining-companies-cant-go-it-alone>

“Private Security Contractors at War. Ending the Culture of Impunity”. Human Rights First Report 2008 – Introduction and Summary of Conclusions
Available at: <http://www.humanrightsfirst.org/wp-content/uploads/pdf/08115-usls-psc-final.pdf>

Weblinks:

Voluntary Principles on Security and Human Rights (KPs):
<http://www.state.gov/j/drl/vp/>

International Code of Conduct for Private Security Service Providers:
<http://www.icoc-psp.org/>

Session 10: (Posner) 2 October

Discussion:

Implementation of Human Rights Standards – The Manufacturing Sector

- The evolving global sourcing model and the diffusion of centralized control
- Who controls the supply chain and what rules apply
- Bangladesh's rise as a global garment production center
- Post-Rana Plaza – addressing factory safety in the garment sector

Assigned Readings

Locke, Richard (2002): The Promise and Perils of Globalization: The Case of Nike. MIT Working Paper Series IPC 02-007

<http://web.mit.edu/ipc/publications/pdf/02-007.pdf>

Wright and Frenkel (2014): Strategic choices for major retailing firms in improving supply chain governance. Case study available at NYU Classes

Labowitz and Baumann-Pauly (2014) – Business As Usual in Not an Option, Executive Summary, Introduction, Conclusions and Recommendations

<http://www.stern.nyu.edu/experience-stern/about/departments-centers-initiatives/centers-of-research/business-human-rights/activities/supply-chains-sourcing-after-rana-plaza>

Session 11: (Posner) 7 October

Discussion:

Applying Human Rights Standards in Investing

- Historic application of Social factors – the Sullivan and McBride Principles
- Defining the S in ESG investing
- The role of the SRI investment sector
- Long term vs. short term investment strategies
- What needs to change for S factors to become more central to the mainstream investment community

Assigned readings:

“Investing the Rights Way: A Guide for Investors on Business and Human Rights,” Institute for Human Rights and Business, 2013

Available at: <http://www.ihrb.org/publications/reports/investing-the-rights-way.html>

UN Principals for Responsible Investing

<http://www.unpri.org/>

Session 12: (Posner) 9 October

Discussion:

Expanding Consumer Engagement – developing metrics for evaluating company performance

- Manufacturing – Good Guide
- Agriculture – Behind the Brands
- ICT sector – Ranking Digital Rights Project

Assigned Readings:

Goodguide

<http://www.goodguide.com/>

Behind the Brands (Oxfam)

<http://www.behindthebrands.org/en-us>

Digital Rights Project (McKinnon) <http://rankingdigitalrights.org/>

Sustainable Consumption Facts & Trends: From a Business Perspective

<http://www.wbcsd.org/pages/edocument/edocumentdetails.aspx?id=142>

14. Oct. NO CLASS

Session 15: Mid-term Exam 16 Oct

16. (Walter) 21 Oct

Banks and Banking

- Financial intermediation in the real economy
- Core banking functions and maturity transformation.
- What is a bank?
- Are banks special?
- Banks as fiduciaries.
- Banks, money creation and the transmission belt for monetary policy.

Readings:

NYUC – Anthony Saunders & Marcia Cornett, *Financial Institutions Management* (New York: McGraw-Hill, 2010), Chapter 1.

17. (Walter) 23 Oct

Banking as a Business

- How to make money from banking.
- Managing Harry's boring bank.
- Transforming it into Harry's dynamic bank.
- Credit quality and bank solvency.
- Betting on rates.
- Funding the bank and the role of repos.
- Asset-liability management.
- Managing liquidity, capital and leverage.
- How banks fail ... and then what happens?

Readings:

NYUC – Anthony Saunders & Marcia Cornett, *Financial Institutions Management* (New York: McGraw-Hill, 2010), Chapter 2.

Video: Frank Capra, "It's a Wonderful Life" (1947) accessible at <http://www.youtube.com/watch?v=frXkiECPkD0>

18. (Walter) 28 Oct

A Short History of US Banking – September 2014

- The big chapters in the book of banking.
- Banks and the building of a nation.
- Banking's heroes and villains.
- Golden eras of banking.
- Shocks, panics and busts.

- Causes and consequences of bank bailouts.
- How today's modern banking system got here.

Readings:

NYUC – Richard Sylla, "Reversing Financial Reversals: Government and the Financial System since 1789," ch. 5 in Price Fishback, et al., *Government and the American Economy: A New History*, U of Chicago Press, 2007, 115-47.

19. (Walter) 30 Oct

How to Save and Manage Assets Without Banks

- The buy-side of modern financial systems.
- Key asset classes and how to access them.
- Hiring money managers: Pension funds. Mutual funds. Hedge funds.
- Private equity and alternative assets.
- Sovereign wealth funds.
- Managing other people's money and fiduciary responsibility.
- Private banking and helping the rich stay rich.
- Competitive performance and who keeps score?

Readings:

NYUC – Roy Smith and Ingo Walter, *Governing the Modern Corporation* (New York: Oxford University Press, 2006), Chapter 6.

19. (Walter) 4 Nov

How to Borrow and Raise Capital Without Banks – September 2014

- The sell-side of modern financial systems.
- Alternatives to bank financing and how they have evolved.
- The basics of debt and equity capital markets and the key functions – origination, trading and market-making, and distribution.
- The rating agencies and secondary markets.
- The origins and evolution of investment banking.
- Advisory functions, proprietary investments.

Readings:

20. (Walter) 6 Nov

Universal Banking and Financial Conglomerates

- Universal banking before the Great Depression.
- The crash of 1929, the waterfall of bank failures and the Pecora Hearings of 1933.
- What to do?
- The Banking Act of 1933, deposit insurance and the Glass-Steagall provisions.
- The Securities Acts of 1933 and 1934 and the Investment Company Act of 1940.
- Postwar deregulation and the Gramm-Leach-Bliley Act of 1999. What's the answer: Is bigger better? Is broader better? Is bigger and broader safer and more competitive?
- Should big and complex financial firms be broken-up?

Readings:

NYUC – Anthony Saunders and Ingo Walter, “Reworking the Global Financial Architecture: Is Universal Banking the Best Way Forward?” *Journal of Financial Perspectives*, April 2013.

Session 21: (Posner) 13 November

Discussion:

Rights as an integral element of business sustainability

- The links between human rights and:
 - The environment
 - Development
 - Rule of law
 - Empowerment of women
 - Transparency and accountability
 - How companies integrate HR in their operations

Assigned Readings:

The World Economic Forum statement on business sustainability (to be provided)

“Embedding Human Rights into Business Practice II” (December 2007). ABB and Sudan: The Value of Stakeholder Engagement (p.26-30). Joint Report of the UN

Global Compact and the Office of the High Commissioner for Business and Human Rights.

http://www.ohchr.org/Documents/Publications/Embedding_II.pdf

“Business and Human Rights: A Framework for Implementation” Michael A. Samway (available on NYU Classes)

Session 22 (Posner) 15 November

Implementation of Human Rights Standards – lessons learned

- Assessing the current state of Business and human rights
- Identifying key challenges and ways to overcome them
- Exploring potential future directions in the field

Assigned Readings:

Ethical Systems Design Introduction by Jonathan Haidt

https://www.youtube.com/watch?v=Z8ah4sU_1bw

Ethical Systems Design

<https://www.youtube.com/watch?v=EyBt2gg37t8>

23. (Walter) 18 Nov

The Financial Architecture –September 2014

- Putting it all together.
- The role of derivatives and synthetics.
- Flow of funds analysis of modern financial systems.
- The key role of securitization.

- The US in global perspective – the battle of financial systems and financial centers.
- Balancing financial efficiency, innovation, fairness, stability and robustness – what are the tradeoffs?
- Readings:

24. (Walter) 20 Nov

Who Makes the Rules?

- Key players at the national level – Federal Reserve, Comptroller of the Currency, Federal Deposit Insurance Corporation, CFTC, state regulators, etc. Congressional committees.
- The special case of housing finance, FHLB, Sallie Mae, Fannie Mae, Freddie Mac.
- The role of political economy, lobbying and the public interest.
- Small changes in regulation create big changes in financial systems.
- Important players at the international level, notably the Bank for International Settlements and the G-20 Heads of State. The role of self-regulatory organizations (SROs).

Readings:

25. (Walter) 25 Nov

The Financial System and Macroeconomic Policy

- Macro-policy targeting.
- Real-sector policy levers.
- Monetary policy levers and the “transmission belt.”
- Why the financial architecture is important.
- Interest rates, inflation rates and exchange rates.
- Policy targeting, execution and volatility in rates.
- How countries get into and out of trouble.
- Country risk analysis.

Readings:

27 Nov. NO CLASS

26 (Walter) 2 Dec

System Failure and The Financial Crisis: The Forensics

- The perfect storm.
- The “Greenspan put,” the credit bubble and leveraging the system.
- Chasing Alpha.
- Due diligence in housing finance.
- The “Toxic Twins” – Fannie & Freddie.
- The securitization machine and financial innovation.
- Regulatory arbitrage and regulatory capture.
- Helpers – fees, fees and more fees.
- Investors on autopilot.
- How banks lost their way – pipelining versus warehousing.
- Liquidity collapse and marking to market.
- Globalization of losses.
- “Manufacturing” systemic risk.
- Crisis management and the fog of war – Bear Stearns, Lehman Brothers, the TARP, AIG, money market funds, commercial paper and all the rest.
- At the end of the day, “it’s the government, stupid.”

Readings:

NYUC - Viral V. Acharya and Matthew Richardson (eds.), *Restoring Financial Stability* (New York: John Wiley & Sons, 2009), Prologue, “Bird’s Eye View.”

NYUC - W. Scott Frame and Lawrence J. White, “Fussing and Fuming Over Fannie and Freddie: How Much Smoke, How Much Fire?” *Journal of Economic Perspectives*, Volume 19, Number 2 (Spring 2005).

27. (Walter) 4 Dec

“Inside Job” (Charles Ferguson, MBA, Stern School of Business)

28. (Walter) 9 Dec

System Failure and The Financial Crisis – The Consequences - October 2014

- Impact of financial turbulence: Damage to financial system integrity.
- The real economy. Who lost the money – shareholders, homeowners, institutional investors, fiduciary clients and why grandparents have to work way into their 70s.

- Who didn't lose the money – subordinated debt-holders, favored counterparties, some hedge funds, senior execs and many bankers.
- Modern finance – wealth-creating or wealth redistributing?
- Fiscal balance and the taxpayer.
- Bankers on the skids – sliding down the social pecking-order. And nobody went to jail.

Readings:

NYUC – Long Term Capital Management Case Profile

NYUC - Viral Acharya, Thomas Cooley, Matthew Richardson, Richard Sylla and Ingo Walter, "The Dodd-Frank Wall Street Reform and Consumer Protection Act: Accomplishments and Limitations." *Journal of Applied Corporate Finance*, Vol. 23, No. 1. Winter 2011.

29. (Walter) 11 Dec

Stabilizing the Financial Architecture

- After the bleeding stopped: Pointing fingers rethinking the efficiency/robustness balance.
- Lobbyists, lobbyists and more lobbyists – acting for the public interest in the real world of political economy.
- The US Dodd-Frank Law of 2010 and its implementation. Basle III.
- National regulatory initiatives in globalized financial markets.
- Breaking-up the banks?

Readings:

Alan Blinder, *After the Music Stopped*, Chapter 13, "The Backlash."

Exam Week Final Exam