

Notes

1 Introduction

1. Herve, K. et al. (2010) 'The OECD's New Global Model' *OECD Economics Department Working Papers*, No. 768, OECD Publishing, pg. 3.
2. Ibid.
3. Guitian, Manuel (1998) 'The Challenge of Managing Global Flows'. *Finance & Development/International Monetary Fund*, June 1. Vol. 35 No. 2, p. 14.
4. Ibid.
5. Ibid. Articles of Agreement of the International Monetary Fund: Article VI Section 1; Article VI Section 3.
6. Ibid.
7. The Annual Report of the Council of Economic Advisors (2004) 'Economic Report of the President', February. United States Government Printing Office, Washington, DC, p. 24.
8. Ibid. p. 241.
9. Bernanke, Ben, Carol Bertaut, Lauries Pounder DeMarco and Steven Kamin (2011). Board of Governors of the Federal Reserve System, International Finance Discussion Papers, 'International Capital Flows and the Return to Safe assets in the United States, 2003–2007', February, pp. 8–16.
10. Ibid. p. 3
11. Ibid. p. 5
12. Cociuba, Simone E. (2011) 'Upstream Capital Flows: Why Emerging Markets Send Savings to Advanced Economies' *Economic Letter—Insights from the Federal Reserve Bank of Dallas*, May. Vol.6 No.5, p. 1.
13. Ibid.
14. Bernanke, Ben, Carol Bertaut, Lauries Pounder DeMarco and Steven Kamin (2011). Board of Governors of the Federal Reserve System, International Finance Discussion Papers, 'International Capital Flows and the Return to Safe assets in the United States, 2003–2007', February. p. 6.
15. Aizenman, Joshua (2010) 'The Impossible Trinity (aka The Policy Trilemma)', University of California, Santa Cruz and the National Bureau of Economic Research, May. p. 2.
16. Ibid. p. 3.
17. Lucas, Robert (1990) 'Why Doesn't Capital Flow from Rich to Poor Countries?' American Economic Association in its journal *American Economic Review*, May. Vol. 80 No. 2.
18. Reinhardt, Dennis, Luc Antonio Ricci and Thierry Tressel (2010) 'International Capital Flows and Development: Financial Openness Matters'. *The International Monetary fund Working Paper*, October. The measure of more liberal capital account is contained in an updated index by Quinn, 1997.
19. Ibid. pp. 4–5.
20. Ibid. p. 9.

2 Overview of Regulations: Historical and Current

1. Bruner, Robert and Shaun D. Carr (2007) *The Panic of 1907: Lessons Learned from the Market's Perfect Storm*. New York: John Wiley.
2. Ibid.
3. Ibid. Eventually became the American Stock Exchange.
4. Ibid. F. Augustus Heinze and Otto Heinze
5. Friedman, Milton and Anna Jacobson Schwartz (1971) *A Monetary History of the United States 1867–1960*. Princeton, NJ: Princeton University Press.
6. Ibid.
7. Meltzer, Allan (2003) *A History of the Federal Reserve. Vol. 1: 1913–1951*. Chicago, IL: University of Chicago Press.
8. Ibid.
9. James, Harold (2001) 'The End of Global Capital Flows during the Great Depression'. Working Paper, Center for Economic Policy Research (CEPR), p. 2.
10. Ritschl, Albrecht (1999) 'Peter Temin and the Onset of the Great depression in Germany: a Reappraisal', Department of Economics, University of Zurich/Switzerland and CEPR.
11. James, Harold (2001); Feinstein, Charles and Catherine Watson (1995) 'Private International Capital Flows in the Interwar Period' in Charles Feinstein (ed.), *Banking, Currency, and Finance in Europe Between the Wars*, Oxford: Oxford University Press, p. 2.
12. United Nations, Department of Economic Affairs (1949) 'International Capital Movements during the Inter-war Period', UN: Lake Success, NY, p. 25.
13. Emergency Banking Relief Act of 1933. US Statutes at Large (73rd Congress, 1933) pp. 1–7.
14. Public Law 66–73; Stat. 48 Stat. 162 (1933); effective June 16.
15. Glass-Steagall Act (Sen. Carter Glass and Rep. Henry B. Steagall) is an acronym for the Banking Act of 1933.
16. Acharya, Viral V., and Joao Santos (2010) 'Systemic Risk and Deposit Insurance Premiums', Federal Reserve Bank of New York *Economic Policy Review*. Special Issue of Central Bank Liquidity Tools and Perspectives on Regulatory Reform Vol.16 No 1, pp. 89–99.
17. Jackson, William D., Economics Division, 'Glass-Steagall Act: Commercial vs. Investment Banking', Congressional Research Service, June 19, 1987. Order Code: IB87061, p. 3.
18. Public Law 97–320; HR 6267
19. Barth, James R., Susanne Trimbath, Glenn Yago (2002) 'The Savings and Loan Crisis: Lessons from a Regulatory Failure', Santa Monica, CA: Milken Institute, pp. 58–59; Strunk, Norman and Fred Case (1988) 'Where Deregulation Went Wrong: A look at the Causes Behind the Savings and Loans Failures in the 1980s', US League of Savings Institutions, pp. 14–16; Leibold Jr., Arthur, Dechert Price, & Rhoads, Former General Counsel: Federal Home Loan Banks Board, Federal Savings and Loan Insurance Corporation, and the Federal Home Loan Mortgage Corporation (2002) 'Some Hope for the Future after a Failed National Policy for Thrifts'. Note: This paper was originally written at the time of the savings and loan crisis (1989) and was later updated by Leibold in 2002.

20. Morgan, Donald P. and Kevin J. Stiroh (2005) 'Too Big to Fail after All These Years'. Staff Reports, No. 220. Federal Reserve Bank of New York.
21. Financial Services Modernization Act of 1999.
22. Smith Barney Inc. 388 (1999) Greenwich Street, New York, NY 10013 'Official Corporate History'. It should also be noted that during the 2008 crisis, the Smith Barney unit of Citibank merged with Morgan Stanley Inc. with Morgan Stanley having majority control of the merged entity.
23. Morgan, Donald P., and Kevin J. Stiroh. (2005) 'Too Big to Fail after All These Years.' Staff Reports 220. Federal Reserve Bank of New York.
24. Dodd-Frank Wall Street Reform and Consumer Act. (2010) Public Law 111-203, 124 Stat. 1376-2223, July 21.
25. *Ibid.*
26. *Ibid.*
27. Elliott, Douglas J (2010) 'The Danger of Divergence: Transatlantic Cooperation on Financial Reform' Paper. Brookings (www.brookings.edu/reports/2010/1007_atlantic_council_elliott.aspx).
28. *Ibid.*
29. *Ibid.*
30. Dodd-Frank Wall Street Reform and Consumer Act. (2010) Public Law 111-203, 124 Stat. 1376-2223, July 21.
31. Basel Committee on Banking Supervision (2010) 'Basel iii: A Global Regulatory Framework for More Resilient Banks and Banking Systems'. Bank for International Settlements, Basel, Switzerland, December, pp. 2-7.
32. *Ibid.*, p. 11
33. Brunnermeier, Markus K. and Lasse Heje Pederson (2009) 'The Fundamental Principles of Financial Regulation'. Geneva: International Center for Monetary and Banking Studies (www.voxeu.org/reports/Geneva11.pdf).
34. Basel Committee on Banking Supervision (2010) 'Basel iii: A Global Regulatory Framework for More Resilient Banks and Banking Systems'. Bank for International Settlements, Basel, Switzerland, December, p. 2.
35. *Ibid.*, p. 5.
36. *Ibid.*, pp. 12-27.
37. *Ibid.*, p. 12.
38. Financial Stability Board (FSB) (2009) 'Improving Financial Regulation: Report of the Financial Stability Board to G-20 Leaders', September. (www.financialstabilityboard.org/publications/r_090925.pdf).
39. *Ibid.*
40. Basel Committee on Banking Supervision (2010) 'Basel iii: A Global Regulatory Framework for More Resilient Banks and Banking Systems'. Bank for International Settlements, Basel, Switzerland, December, p. 17
41. Group of Twenty (G-20), Working Group 1, (2009) 'Enhancing Sound Regulation and Strengthening Transparency' (Cochairs: Tiff Macklem and Rakesh Mohan). (www.g20.org/Documents/g20_wg1_010409.pdf).
42. Basel Committee on Banking Supervision (2010) 'Basel iii: A Global Regulatory Framework for More Resilient Banks and Banking Systems'. Bank for International Settlements, Basel, Switzerland, December, p. 40.
43. Brunnermeier, Markus K. and Lasse Heje Pederson (2009) 'The Fundamental Principles of Financial Regulation'. Geneva: International Center for Monetary and Banking Studies (www.voxeu.org/reports/Geneva11.pdf).

44. Basel Committee on Banking Supervision (2010) 'Basel iii: A Global Regulatory Framework for More Resilient Banks and Banking Systems'. Bank for International Settlements, Basel, Switzerland, December, pp. 30–51.

3 Capital Flows from the 1990s to the Current Day

1. Lucas, Robert Jr. (1990) 'Why Doesn't Capital Flow from Rich to Poor Countries?' American Economic Association in its journal *American Economic Review*, Vol. 80, May 2nd issue.
2. Alfaro, Laura, Sebnem Kalemli-Ozcan and Vadym Volosovych (2011)'Global Imbalances, Sovereign Borrowing, and Growth', National Bureau of Economic Research (NBER) May. p. 1.
3. Mody, Ashoka and Antu Panini Murshid (2011) 'Growth from International Capital Flows: The Role of Volatility Regimes.' International Monetary Fund Working Paper WP/11/90, Abstract.
4. Alfaro, Laura, Sebnem Kalemli-Ozcan and Vadym Volosovych (2011)'Global Imbalances, Sovereign Borrowing, and Growth', National Bureau of Economic Research (NBER) May. p. 1.
5. De Gregorio, Jose (2009) 'Frameworks for Monetary and Financial Stability: An Emerging Market Perspective.' Keynote speech delivered at the Brookings Institution. Washington, DC. September 15.
6. Aguiar, Mark and Gita Gopinath (2007) 'Emerging Market Business Cycles: The Cycle Is the Trend' *Journal of Political Economy* Vol. 115 No 1, pp. 69–102.
7. Hammond, Gill, Ravi Kanbur, and Eswar Prasad (2009) *Monetary Policy Frameworks for Emerging Markets*. Northampton, MA: Edward Elgar Publishing.
8. Committee on the Global Financial System (2009) Report of the Working Group on Capital Flows to the Emerging Market Economies, Basel: Bank for International Settlements. This Working Group was chaired by Rakesh Mohan of the Reserve Bank of India. January 2009. CH 4002 Basel, Switzerland. E mail: publications@bis.org ...
9. *Ibid.*, p. 2.
10. Chandrasekhar, C. P. and Jayati Ghosh (2011) 'Revisiting Capital Flows', *International Developments Economics Associates* May 5, p. 2.
11. International Monetary Fund (2011) *World Economic Outlook* April, p. 134.
12. Haldane, A. G. (2009) 'Rethinking the Financial Network.' Speech delivered to the Financial Student Association, Amsterdam (www.bankofengland.co.uk/publications/speeches/2009/speech386.pdf)
13. International Monetary Fund (2011), *World Economic Outlook* April, p. 141.
14. *Ibid.*
15. *Ibid.*
16. Chen, H., H. L. Jonung and O. Unteroberdoerster (2009) 'Lessons for China from Financial Liberalization in Scandinavia' *European Commission Economic Papers*, No. 383. p. 11.
17. Institute of International Finance (2011) IIF Research Note, 'Capital Flows to Emerging Market Economies' June 1.
18. Chandrasekhar, C. P. and Jayati Ghosh (2011) 'Revisiting Capital Flows', *International Developments Economics Associates* May 5, pp. 2–3.

19. Krishnan, K. P. (2009) 'Financial Development in Emerging Markets: The Indian Experience', Paper presented at the ADBI-Brookings-Cornell conference on 'Financial Sector Regulation and Reforms in Emerging Markets'. Brookings Institution, Washington, DC, October 22–23.
20. Borio, Claudio (2009) 'The Financial Crisis of 2007-?: Macroeconomic Origins and Policy Lessons.' Paper presented for the G-20 Workshop on the Global Economy. Reserve Bank of India and the Bank of England, Mumbai, May 24–26 (www.g20.org/pub_further_pubs.aspx).
21. Mody, Ashoka and Antu Panini Murshid (2011) 'Growth from International Capital Flows: The Role of Volatility Regimes'. International Monetary fund Working Paper WP/11/90, April. pp. 6–10.
22. Chen, H., H. L. Jonung and O Unterberdoerster (2009) 'Lessons for China from Financial Liberalization in Scandinavia'. *European Commission Economic Papers*, No. 383, pp. 12–15.
23. Institute of International Finance (2011) IIF Research Note, 'Capital Flows to Emerging Market Economies' June 1. p. 21.
24. *Ibid.*, pp. 21–22.
25. Topcu, Nese (2009) 'The Global Financial Crisis and Its Effect to Eastern Europe Countries'. Paper delivered at the EconAnadolu 2009: Anadolu International Conference in Economics. Eskisehir, Turkey. June 17–19.
26. Aykut, Dilek (2011) 'Outward FDI from Developing Countries Are Up, Notably South-South Flows' *Prospects for Development*, World Bank, Washington, DC. February 2. pp. 1–2.
27. *Ibid.*
28. Institute of International Finance (2011) IIF Research Note, 'Capital Flows to Emerging Market Economies', June 1. p. 18.
29. *Ibid.*, pp. 17–19.
30. *Ibid.*, p.19.
31. Inter-American Development Bank. Annual Meeting of the Boards of Governors (2011) Seminar on 'Global Imbalances and Latin America'; Moderator: Richard Lapper, Editor of Brazil Confidential, Financial Times. Speakers: Mark Carney, Governor, Bank of Canada; Jean Lemierre, Senior Advisor to the Chairman, BNP Paribas, France; Henrique Meirelles, Former President, Central Bank of Brazil. Calgary, March 26.
32. *IMF Survey Magazine* (2011) 'Capital Flows in Spotlight at Brazil Conference', Rio De Janeiro, May 26.
33. Institute of International Finance (2011) IIF Research Note, 'Capital Flows to Emerging Market Economies', June 1. p. 23.
34. *Ibid.*, pp. 24–25.
35. *Ibid.*, pp. 25–26.

4 GDP Growth Rates for Advanced Economies and Selected Emerging Markets including the BRICS

1. World Bank (2011) 'Maintaining Progress and Turmoil' *Global Economic Prospects*, June. Volume 3.
2. *Ibid.*, p. 1.
3. *Ibid.*, p. 3

4. Ibid.
5. Ibid.
6. Hsing, Yu (2011) 'The Stock Market and Macroeconomic Variables in BRICS Country and Policy Implications' *International Journal of Economics and Financial Issues*, Vol. 1, No. 1, p. 12.
7. World Bank (2011) 'Maintaining Progress and Turmoil' *Global Economic Prospects*, June. Vol. 3, p. 3.
8. Ibid., p. 7.
9. Ibid.
10. World Bank (2011) 'Navigating Strong Currents' *Global Economic Prospects*, January. Vol. 2, p. 4.
11. Ibid.
12. Ibid., pp. 4–6.
13. Ibid., pp. 4–5.
14. Ibid., pp. 4–7.
15. IMF (International Monetary Fund) (2009) *World Economic Outlook 2009: Sustaining the Recovery*. Washington, DC: International Monetary Fund (table A13).
16. Poulsen, Lauge Skovgard and Gary Clyde Hufbauer (2011) 'Foreign Direct Investment in Times of Crisis', *Working Paper Series*. Washington, DC: Peterson Institute for International Economics, January, p. 3.
17. Ibid., pp.3–6.
18. UNCTAD (United Nations Conference on Trade and Development) (2009) *Assessing the Impact of the Current Financial and Economic Crisis on Global FDI Flows*. New York: United Nations Conference on Trade and Development.
19. UNCTAD (United Nations Conference on Trade and Development) (2011) *Global Investment Trends Monitor*, No. 5, January 17.
20. Ibid.
21. UNCTAD (United Nations Conference on Trade and Development) (2009) *Assessing the Impact of the Current Financial and Economic Crisis on Global FDI Flows*. New York: United Nations Conference on Trade and Development.
22. World Bank (2011) 'Navigating Strong Currents' *Global Economic Prospects*, January. Vol. 2, p. 4.
23. International Monetary Fund (IMF), (2011) Table A1. Summary of World Output *World Economic Outlook*, April, p. 181
24. CIA *World Factbook* (2011) July.
25. Ibid.
26. Ibid. 'Note: because China's exchange rate is determined by fiat, rather than by market forces, the official exchange rate measure of GDP is not an accurate measure of China's output; GDP at the official exchange rate substantially understates the actual level of China's output vis-à-vis the rest of the world; in China's situation GDP at purchasing power parity provides the best measure for comparing output across countries (2010 est).'
27. *Forbes Magazine* 01/12/2011 online, p. 1.
28. World Bank (2011) 'Navigating Strong Currents' *Global Economic Prospects*, January. Vol. 2, p. 4.
29. Ibid., pp. 12–13.
30. Ibid., p. 7.

31. *Ibid.*, p. 13.
32. World Bank (2011) 'Monitoring Progress and Turmoil' *Global Economic Prospects*, June. Vol. 3, p. 5.
33. *Ibid.*, p. 4.
34. *Forbes Magazine* 1/12/2011 online, p. 1.
35. World Bank (2011) 'Navigating Strong Currents' *Global Economic Prospects*, January. Vol. 2, pp. 13–14.
36. *Ibid.*, pp. 20–25, p. 30.
37. *Ibid.*, p. 8
38. *Ibid.*
39. Romer, Christina D. (2011) 'The Rock and the Hard Place on the Deficit' *New York Times*, July 2.
40. Feldstein, Martin (1995) 'What the '93 Tax Increases Really Did', *The Wall Street Journal*, 'What the '93 Tax Increases Really Did', 26 October 26.
41. International Monetary Fund (2011) *World Economic Outlook*, April. p. 181.

5 An Analysis of Brazil's Economy Relative to Its Capital Flows

1. Hennings, Kathleen and Mario Mesquita (1999) 'Capital Flows to the Brazilian Economy: 2003–07' BIS Papers No. 44, p. 103.
2. *Ibid.*, p. 106.
3. *Ibid.*
4. Joint High Level Conference by the Brazilian authorities and the IMF, Caesar Park Hotel, Rio de Janeiro, Brazil, May 26–27, 2011, 'Managing Capital Flows in Emerging Markets', in the opening literature.
5. *Ibid.*
6. Fourth BRICS Summit, March 29, 2012, New Delhi, Transcripts (2012) 'The BRICS Report', Oxford University Press, September 3, pp. 23–29.
7. *Ibid.* Speech by Min Zhu, Special Advisor to the Managing Director, IMF.
8. Fourth BRICS Summit, March 29, 2012, New Delhi, Transcripts (2012) 'The BRICS Report', Oxford University Press, September 3, pp. 23–29.
9. Outward Spillovers are the effects of economic activity or process upon those who are not directly involved in it; for example, an outward spillover in capital outflows results in less capital for domestic investment causing a much smaller domestic growth rate.
10. Fourth BRICS Summit, March 29, 2012, New Delhi, Transcripts (2012) 'The BRICS Report', Oxford University Press, September 3, pp. 23–29.
11. United Nations, Department of Economic and Social Affairs (2011) 'World Economic Situation and Prospects 2012 Global economic outlook', United Nations, New York, pp. 4–5.
12. Fourth BRICS Summit, March 29, 2012, New Delhi, Transcripts (2012) 'The BRICS Report', Oxford University Press, September 3, p. 29.
13. International Monetary Fund in an article in Bloomberg News, 'Brazilian Capital Controls are "Appropriate" Tool, IMF Says' by Alexander Ragir in Rio de Janeiro at aragir@bloomberg.net and Joshua Goodman, editor responsible for the story at jgoodman@bloomberg.net August 3, 2011.
14. *Ibid.*

15. Ibid.
16. Joint High Level Conference by the Brazilian authorities and the IMF, Caesar Park Hotel, Rio de Janeiro, Brazil, May 26–27, 2011, ‘Managing Capital Flows in Emerging Markets’ speech.
17. United Nations, New York (2011) ‘World Economic Situation and Prospects 2011’ January, p. 35.
18. Ibid., p. 35.
19. Ibid.
20. International Monetary Fund (2011) ‘Recent Experiences in Managing Capital Inflows—Cross Cutting Themes and Possible Policy Framework’. Prepared by the Strategy, Policy, and Review Department in consultation with Legal, Monetary and Capital Markets, Research and other Departments. Approved by Reza Moghadam, February 14, p. 59.
21. Ibid., p. 59.
22. Soliani, Andre (2011) ‘Brazil FDI Jumped to Record, Covering 2010 Account Gap’ Bloomberg News 25 January 25 at asoliani@bloomberg.net and Joshua Goodman editor responsible for story at jgoodman@bloomberg.net
23. Ibid.
24. Ibid.
25. Ibid.
26. Katz, Ian (2011) ‘Geithner Says Brazil Capital Blows Boosted by Other’s Currency Policies’ Bloomberg News, February 7, at ikatz2@bloomberg.net and Christopher Wellisz, editor responsible for story at cwellisz@bloomberg.net
27. Ibid. and World Bank Report (2011) January.
28. Ibid.
29. Bristow, Mathew (2011) ‘Brazil Will Continue to Take Steps to Curb Capital Inflows, Mantega Says’ Bloomberg News April 14 at mbristow@bloomberg.net and Joshua Goodman editor responsible for story at jgoodman19@bloomberg.net
30. Ragir, Alexander (2011) ‘Tombini Says Brazil Must Remain “Vigilant” Against Global Capital Flows’ Bloomberg News June 21 at aragir@bloomberg.net and Joshua Goodman editor responsible for story at jgoodman19@bloomberg.net
31. Ibid.
32. BBVA Banco Bilbao Vizcaya Argentaria, SA (2011) ‘Economic Outlook Brazil’ second quarter, p. 6.
33. Billi, Robert M. and George A. Kahn (2008) ‘What is the Optimal Inflation Rate?’ *Economic Review*, Federal Reserve Bank of Kansas City. The article is on the bank’s website at WWW. KansasCityFed.org, p. 6.
34. Ibid.

6 An Analysis of Russia’s Economy Relative to Its Capital Flows

1. RIA Novosti. Russian International News Agency (2011) ‘Russia’s Top 30 Banks Involved in \$20 Billion Capital Outflow – Cbanker’ Moscow, May 09, p. 1.

2. World Bank in Russia (2011) 'Russian Economic Report' No. 25, Moscow, June, p. 5.
3. RIA Novosti. Russian International News Agency (2011) 'Russia's Top 30 Banks Involved in \$20 Billion Capital Outflow – Cbanker' Moscow, May 09, p. 1.
4. World Bank in Russia (2011) 'Russian Economic Report' No. 25, Moscow, June, p. 6.
5. Dow Jones Newswires (2011) 'Russia's Kudrin: 2011 Budget Will Be Balanced' September 10. Reported by Alexander Kolyandr, Dow Jones Newswires; Alexander.Kolyandr@dowjones.com
6. Ibid.
7. World Bank in Russia (2011) 'Russian Economic Report' No. 25, Moscow, June, p. 9.
8. Ibid., p.9.
9. Ibid.
10. RIA Novosti. Russian International News Agency (2011) Fiscal Budget '11, September 13.
11. World Bank in Russia (2011) 'Russian Economic Report' No. 25, Moscow, June, p.13.
12. Ibid.
13. Ibid.
14. Kalish, Dr. Ira (2011) 'Russia: Reengineering the Path to Recovery' *Global Economic Outlook*, A Deloitte Research Publication, 2nd Quarter, p. 44.
15. Ibid.
16. Ibid., pp. 44–45
17. 'Medvedev devoted to stopping money "running away" from economy', published on March 30, 2011, 16:43, edited on April 06, 2011, 18:17. Russia's President Dmitry Medvedev (RIA Novosti/Vladimir Rodionov)
18. Economist Intelligence Unit (2011) 'Country Report: Russia' London, February, p. 4.
19. Ibid., p. 6
20. Ibid.
21. Ibid., p. 4.
22. Ibid., p. 5.
23. Ibid., p. 17.

7 An Analysis of India's Economy Relative to Its Capital Flows

1. Reserve Bank of India (2011) 'Volatile Capital Flows Rose in 2010–11' *Business Standard* and the *Economic Times* Mumbai, August 19.
2. Countries hold foreign exchange reserves partly to protect themselves against external crises. But how large a stash is enough? One common rule of thumb is that reserves that can cover three months' worth of imports are adequate. By this criterion, China and Russia, whose reserves cover more than two years' worth, have excessively large hoards. Other emerging countries, like India, Brazil, Thailand, and Argentina, also have reserves that are several times the amount needed to cover a quarter's imports. America, the issuer of the world's reserve currency, does not need as thick a buffer as other countries

- do. Its holdings at the end of March would not have paid for even a month's imports.
3. Reserve Bank of India (2011) 'Volatile Capital Flows Rose in 2010–11' *Business Standard* and the *Economic Times* Mumbai, August 19.
 4. Reserve Bank of India (2011) 'The Financial Stability Report', June, p. 1.
 5. *Ibid.*, p. 12.
 6. Standard Chartered Global Research (2011) 'The India Chartbook – Q1–2011' April 7.
 7. UNCTAD (2011) Report, January.
 8. Economic Advisory Council to the Prime Minister (2011) 'Economic Outlook for 2011/12' June, p. 3.
 9. *Ibid.*, p. 4.
 10. *Ibid.*
 11. *Ibid.*, p. 6.
 12. *Ibid.*
 13. *Ibid.*, p. 9.
 14. *Ibid.*, p. 10.

8 An Analysis of China's Economy Relative to Its Capital Flows

1. Kang, Chen, professor of economics from the Lee Kuan Yew School of Public Policy, National University of Singapore. Economic forum National University of Singapore, August 21, 2011.
2. *The Economist*, August 28, 2011.
3. World Bank Office, Beijing (2011) 'World Bank Quarterly Update' April, p. 1.
4. *Ibid.*
5. *Ibid.*, p. 2.
6. The current account balance has been revised downwards due to an upward revision of foreign earnings held out of China. This entry was based upon inward foreign direct investment calculated back to 2005. Moreover in 2009, the revision was 0.7 percent of GDP.
7. World Bank Office, Beijing (2011) 'World Bank Quarterly Update' April, p. 3.
8. *Ibid.*, p. 4.
9. The State Administration of Foreign Exchange in its first report projected 'hot money flows' of US\$ 35.5 billion in 2010.
10. World Bank Office, Beijing (2011) 'World Bank Quarterly Update' April, p. 7.
11. *Ibid.*
12. *Ibid.*, p. 12.
13. *Ibid.*
14. On March 31, 2011 the NDRC sent inspectors to manufacturers of consumer goods to determine the reasons for price increases with a clear indication that 'some manufacturers will be invited to have talks with the NDRC.'
15. World Bank Office, Beijing (2011) 'World Bank Quarterly Update' April, p. 13.
16. *Ibid.*
17. *Ibid.*
18. BBVA Research (2011) 'China Economic Outlook'. August 10, p. 3.

9 An Analysis of South Africa's Economy Relative to Its Capital Flows

1. World Bank of South Africa (2011) 'South Africa Economic Update' July, p. ix.
2. *Ibid.*, p. x.
3. *Ibid.*
4. *Ibid.*, p. 1.
5. *Ibid.*
6. *Ibid.*, p. 4.
7. The repo rate is the percentage rate that the South African Reserve Bank lends funds to its banking system.
8. African Economic Outlook (2011) 'Emerging Economic Partnerships', June 22, p. 1
9. African Economic Outlook (2011) 'South Africa', June 22, p. 1
10. African Economic Outlook (2011) 'South Africa Macroeconomic Policy', June 22, p. 1.
11. *Ibid.*
12. *Ibid.*, p. 4.
13. South African Reserve Bank public announcement in a press statement by the Bank's Chief Economist Monde Mnyande on March 19, 2012.
14. African Economic Outlook (2011) 'South Africa Macroeconomic Policy', June 22, p. 5.
15. *Ibid.*
16. IMF (2011) 'Recent Experiences in Managing Capital Flows—Cross Cutting Themes and Possible Policy Framework, Approved by Reza Moghadam, February 14, p. 79.
17. *Ibid.*, p. 80.
18. *Ibid.*
19. *Ibid.*, p. 81.
20. *Ibid.*, p. 83.

10 Conclusion

1. Institute of International Finance (2011) 'The Cumulative Impact on the Global Economy of Changes in the Financial Regulatory Framework', pp. 22–23.
2. The US banks are not allowed to trade or take positions in common stock, but ironically are allowed to take positions in trade derivatives. The inherent risks found in derivatives are logarithmically much greater than the inherent risks found in common stocks.
3. Institute of International Finance (2011) 'The Cumulative Impact on the Global Economy of Changes in the Financial Regulatory Framework', p. 24.
4. *Ibid.*, pp. 24–25.
5. A number of economists and analysts have explained the following overview in terms of a comparison of leverage between the United States and the European Union: Keep in mind that a bank's assets are actually its liabilities plus equity; the US GDP is roughly \$14 trillion and the total assets of the

US banks are approximately \$14 trillion. By comparison, the EU's GDP is around \$16 trillion, but its banks' total assets are anywhere between \$32 trillion and \$50 trillion.

6. Institute of International Finance (2011) 'The Cumulative Impact on the Global Economy of Changes in the Financial Regulatory Framework', p. 25.
7. *Ibid.*, p. 26.
8. *Ibid.*
9. Slovik, Patrick and Boris Cournede (2011) 'Macroeconomic Impact of Basel iii', OECD Economics Department Working Paper No. 844, February 14, p. 2.
10. *Ibid.*
11. *Ibid.*, p. 7.
12. The aggregated bank data are sourced from the statistical appendix of the study by the Institute of International Finance (2010). 'Interim Report on the Cumulative Impact on the Global Economy of Proposed Changes in the Banking Regulatory Framework', Washington, DC. Furthermore, the origin of the three equations and the legend were included in the Slovik and Cournede (2011) 'Macroeconomic Impact of Basel iii', OECD Economics Department Working Paper No. 844.
13. Institute of International Finance (2010). 'Interim Report on the Cumulative Impact on the Global Economy of Proposed Changes in the Banking Regulatory Framework', Washington, DC.
14. My results differ from Slovik and Cournede by roughly 250 basis points.
15. Slovik, Patrick and Boris Cournede (2011) 'Macroeconomic Impact of Basel iii', OECD Economics Department Working Paper No. 844, February 14, p. 8.
16. *Ibid.*, p. 9
17. Guichard, S., D. Haugh, and D. Turner (2009) 'Quantifying the Effect of Financial Conditions in the Euro area, Japan, the United Kingdom, and the United States', OECD Economic Department Working Paper No. 677 and S. Guichard and D. Turner (2008) 'Quantifying the Effect of Financial Conditions on US Activity', OECD Economics Working Paper No. 635.
18. Slovik, Patrick and Boris Cournede (2011) 'Macroeconomic Impact of Basel iii', OECD Economics Department Working Paper No. 844, February 14, p. 9.
19. *Ibid.*, p. 10.
20. Bank for International Settlements (2010a) 'Assessing the Macroeconomic Impact of the Transition to Stronger Capital and Liquidity Requirements – Interim Report', Basel.
21. Cosimano, Thomas F. and Dalia S. Hakura (2011) 'Bank Behavior in Response to Basel iii: A Cross-Country Analysis', IMF Working Paper WP/11/119, May, p. 1.
22. *Ibid.*, p. 3.
23. Bank of International Settlements (2010b) 'Assessing the Macroeconomic Impact of the Transition to Stronger Capital and Liquidity Requirements' at www.bis.org/list/basel3/index.htm
24. Koch, T. and S. MacDonald (2007) *Bank Management*, 7th ed. Marson, OH: South-Western Cengage Learning.
25. A hybrid of the DuPont Model formulated and first used in the 1920s.
26. Koch, T. and S. MacDonald (2007) *Bank Management*, 7th ed. Marson, OH: South-Western Cengage Learning, chapter 3.

27. Cosimano, Thomas F. and Dalia S. Hakura (2011) 'Bank Behavior in Response to Basel iii: A Cross-Country Analysis', IMF Working Paper WP/11/119, May, p. 10.
28. Bluedorn, John, Rupa Duttagupta (team leader), Jaime Guajardo, and Petia Topalova (2011) 'Press points for Chapter 4: International Capital Flows: Reliable or Fickle?' *World Economic Outlook*, April, p. 1–2.
29. Ibid.
30. This effect will also be compounded by the requirement that BIS capital charges are based primarily on credit ratings which includes sovereign ratings. To that end, the IIF has determined that sovereign credit ratings to the emerging market economies are 'systemically lower' compared to the advanced economies.
31. Institute of International Finance (2011) 'The Cumulative Impact on the Global Economy of Changes in the Financial Regulatory Framework', September, p. 139.
32. Ibid., p. 140.
33. Citibank (2011) 'CARBS' A Report, November 21.
34. Institute of International Finance (2011) 'The Cumulative Impact on the Global Economy of Changes in the Financial Regulatory Framework', September, pp. 136–137.
35. Emerging Market Private Equity Association and Deloitte (2010) 'Private Equity Confidence Survey 2011 Global Emerging Markets Comparison Report', p. 5.
36. Patterson, Michael and Shiyin Chen (2011) 'BRIC Decade Ends With Record Fund Outflows' Bloomberg News Special Report, December 28, p. 1. Michael Patterson in London at mpatterson10@bloomberg.net; Shiyin Chen in Singapore at schen37@bloomberg.net; the editor responsible for the story is Laura Zelenko at lzelenko@bloomberg.net
37. Ibid.
38. Ibid.
39. Ibid., p. 2.
40. Ibid.

Index

- AAA ratings on sub-prime mortgages, 25–6
- Advanced Economies (AEs), 36
- Africa, 43, 48, 140
- Alfaro, Laura, 33
- American Depository Receipts (ADR), 6, 11
- American International Group (AIG), 23, 26
- Arab Spring, 65
- Argentina, 7, 48, 65, 172
- Article 122a of Directive 2006/48/EC, 153
- Articles of Agreement IMF, 5
- Asia, 43, 46, 64
- Asian crisis, 36
- Asian emerging markets, 45
- AU, assets utilized, 167
- balance of payments, 112
- Banco Central do Brazil, 73
- bank investments, 7
- Bank for International Settlements, 163, 165
- Bank of America, 23
- Bank of Moscow, 86–7
- ‘Bank Levy’, 154
- Banking Act of 1933 (Glass-Steagall Act), 23
- Banking Stability Indicator (BSI), 103
- Basel Accords, 18, 25–6
- Baturina, Yelena, 87
- Batista, Paulo Nogueira, 73
- Basel Committee on Banking Supervision (BCBS), 154, 163
- Basel i, 25, 26
- Basel ii, 25–8, 155
- Basel iii, 27, 28, 151–79
- BBVA, 83, 84
- BBVA Research, 133
- ‘bilateral currency basket of 34 bi-currency units per ruble’, 91
- Black Sea, 101
- Blanchard, Oliver, 74, 76
- Bloomberg Analytics, 144, 178
- Bloomberg News, 177
- Blue sky laws, 23, 24
- BM&F Bovespa, 77
- Brazil, 3, 7, 19, 40, 48, 54, 62, 63, 65, 71–85, 107, 172, 177–8
- Brazilian Stock Exchange, 36
- Brazilian stock market, 79
- Bretton Woods, 5, 10
- BRIC indexes, 177
- BRICS, 3, 4, 10, 19, 25, 35, 37, 39–40, 42, 51, 54–5, 60, 62, 71, 73, 77, 126–7, 134–5, 151, 165, 170, 174, 177–9
- BRICs, 178
- British Petroleum, 101
- Burns, Andrew, 63
- Canada, 6
- CARBS, Canada, Australia, Russia, Brazil and South Africa, 172
- capital controls, 46
- capital inflows, 5, 8–9, 15, 43, 72, 77–8, 108–9, 147
- capital outflows, 5, 8, 15, 86, 88, 108
- Caribbean, 47
- Cash Reserve Ratio (CRR), 114
- Cattan-Naslusky, Flavia, 79
- CCPs, 28
- Central America, 47
- Central Asia, 56
- Central Bank of Brazil, 79, 82–3
- Central Bank of Russia (CBR), 86, 88, 91–2, 97
- Central Europe, 44
- Central Federal Okrug, 89–90
- Central and North-West federal districts, 89
- Chen, Shiyin, 177
- Chile, 48, 72
- China, 3, 12–13, 19, 35, 40–2, 45, 46, 54–5, 62–5, 71, 77, 80–1, 96, 107, 118–33, 140, 174–5, 177–8

- China Petroleum & Chemical Corporation, 79
- Citibank, 23, 172
- Citigroup, 23
- CPI inflation, 91, 118, 124, 143
- Columbia, 48
- Congressional Research Service, 22
- Commission of Experts, 155
- Comptroller of the Currency, 21
- Consumer Financial Protection Bureau, 25
- Cosimano and Hakura, 164
- cost of borrowing (percentage) (*RL*), 158
- Council of Economic Advisors, 66
- curbside, 19
- Current Account Deficit (CAD), 103–4, 108–9, 112–16, 144
- Current Account Surplus, 104, 120–1, 124–5
- De Gregorio, Jose, 74
- Democrats, 65
- Deputy Governor Reserve Bank of India, 73–4
- Dodd-Frank Act, 24–5, 28, 151, 152–3
- E, equity, 165
- Eastern Europe, 7
- Economic Advisory Council to the Prime Minister, 110, 112–14
- The Economist*, 120
- Economist Intelligence Unit, 99
- Egypt, 48, 50, 65
- EU, 100
- Emergency Banking Relief Act, 21
- Emerging Asia, 174, 175
- Emerging Europe, 171, 174
- emerging market economies (EMEs), 36, 40, 51, 54, 57, 60–1, 64–5, 72, 107–8, 138, 147, 170–1, 173–4
- EPFR Global Data, 177
- ER, expense ratio, 167
- EU banks, 175
- EU Capital Requirements Directive (CRD IV), 153–4
- European Banking Authority, 154
- European Union (EU), 153–4, 156, 159, 163
- Europe, 43, 62, 64, 151
- Eurozone, 6, 75, 108, 118
- Eskom, 142
- Exchange Traded Fund (ETF), 6
- external commercial borrowings (ECBs), 104–5
- Executive Director of the IMF, 73
- Executive Secretary Ministry of Finance Brazil, 74
- Exxon Mobile, 101
- Eyzaguirre, Nicolas, 73
- Federal Deposit Insurance Corporation (FDIC), 22, 152
- Federal Reserve Bank (Fed), 19–21, 24–5
- Federal Reserve Bank of Dallas, 8
- Federal Reserve Bank of Kansas City, 85
- Feldstein, Martin, 66
- Filho, Nelson Barbosa, 74
- Financial Industry Regulatory Authority (FINRA), 19
- Financial Security Oversight Council, 25
- Financial Stability Report (FSR), 102–3
- fixed exchange rate, 12
- Five Year Plan, 121
- Foreign Investor Inflows (FII), 104, 105
- foreign direct investment (FDI), 6–9, 35, 40, 43, 45, 47, 57, 60–1, 72, 75, 79, 98, 103–4, 106–9, 113, 115–16, 145, 147
- Forex, 78
- France, 153
- free capital flows, 11–12, 17, 34, 38, 40–1
- Garn-St. Germain Institution Act, 22
- GCC, 50
- GDP deflator, 125
- Geithner, Timothy, 80
- Germany, 71, 145, 153
- G-7 nations, 154
- G-10 countries, 25
- Glass-Steagall Act, 22–3
- Global Depository Receipts (GDR), 11

- Great Depression, 19, 20, 22, 171
 global capital flows, 15, 18, 20, 23, 33,
 35, 40–2
 Global Emerging Markets Local
 Currency index (GMEX), 146
 Gokarn, Subir Vithal, 73
 ‘golden parachutes’, 25
 Goldman Sachs, 177–8
 Gold Standard, 20
 Governor Bancodo Brazil, 73
 Governor Central Bank of Chile, 74
 Great Recession of 2008, 10
 Greece, 10, 118
 Gross domestic product (GDP), 9, 14,
 34, 37–40, 50, 54–7, 61–2, 65–7,
 71–2, 75–6, 78, 83, 87–90, 93, 109,
 111, 116, 118–21, 134–5, 144, 161,
 163, 174
 Guitan, Manuel, 5
- ‘haircuts’ rules, 28
 Harrod-Domar model, 16
 Harvard University, 66
higher taxes on bank earnings, 153
 Hong Kong, 13
 HSBC, 177
 Hungary, 44
- IMF Monetary Exchange Affairs
 Department, 5
 IMF’s *World Economic Outlook* (2011),
 35–8, 110, 119
 impossible trinity, 11, 34
 inconsistent trinity, 12, 109
 Indonesia’s central bank certificates,
 47
 Independent Commission on
 Banking, 154
 Index of Industrial Production (IIP), 116
 India, 3, 19, 40–1, 44–6, 54, 81,
 102–17, 177–8
 Indian Stock Exchange, 36
 Indonesia, 45–6, 63, 81, 172
 Industrial Commercial Bank of China
 (ICBC), 145
 International Energy Agency, 95
 International Monetary Fund (IMF),
 14, 43, 44, 50, 56, 62, 67, 74–6, 81,
 103, 108, 119, 146, 178
- initial public offerings (IPO), 24
 Institute of International Finance
 (IIF), 40, 81–2, 152, 170
 interest expense (IE), 165
 interest income (II), 165
 IOF (Imposto de
 OperacoesFinanceiras), 77
 IRS, 66
 IS-LM Neo-Keynesian model, 12
 Italy, 153
 IT enabled services (ITES), 112
- Jackson, William, 22
 Japan, 6, 53, 62, 120, 156, 159, 164
 Johannesburg Stock Exchange (JSE),
 55
 Jordon, 48
 JP Morgan Chase, 22, 23
- Kalish, Ira, 98
 Kashyap, Stein and Hanson, 164
 Kenc, Turalay, 74
 Keynes versus Hayek, 66
 King, Chen, 118
 Klepach, Andrei, 93
 Koch and MacDonald, 165–6
 Korea (South), 7, 14, 45, 47, 80
 Kudrin, Alexei, 90, 93
- L, Percentage of Liabilities to Total
 Assets, 158
 LA, Percentage of Lending Assets to
 Total Assets, 157–8
 Latin America, 7, 47, 71
 Latin America and Caribbean, 43,
 47–8, 64–5, 71–2, 74
 Lebanon, 48, 50
 Lee Kuan Yew School of Public Policy,
 National University, 118
 Lehman, 147
 Leontief Centre, 90
 Libya, 48, 65
 Lisbon, Portugal, 100
 Liquidity Coverage Ratio (LCR),
 27–8, 155
 Lopes, Altamir, 80
 Lucas Paradox, 13
 Lucas Puzzle, 13
 Lucas, Robert, 13, 33

- Lucas, Robert Jr., 16
Luzhkov, Yuri, 47, 87
- Macroeconomic Assessment Group (MAG) of the Financial Stability Board (FSB), 163
Mahendran, Arjuna, 177
'Managing Capital Flows in Emerging Markets', 73
Mergers and Acquisitions (M&A), 106
Mexico, 7, 14, 72, 107, 172
Ministry of Economic Development, 143
Modigliani-Miller, 165
Mody, Ashoka, 33
Malaysia, 63, 65, 81
Marketfield Asset Management, 177
Mantega, Guido, 73, 80–1
Medvedev, Dimitry, 44, 87, 98–9, 101
MENA Middle East & North Africa, 50, 64–5, 94–6, 100, 174
Middle East, 48, 54
Minimum Total Capital Ratio (MTCR), 28
Minister of Finance of Brazil, 73
Mitsubishi Bank, 6
Moiseyev, Sergei, 86
Morgan Guaranty Trust Company, 22
Morgan Stanley Company, 6, 22
Moscow, 90
Mukherjee, Pranab, 107
multinational corporations (MNC), 60
Mundell-Fleming, 12
MSCI index, 178
Mutual fund, 6
- National Association of Securities Dealers (NASD), 19
National Bureau of Economic Research (NBER), 66
National Bureau of Statistics (NBS), 122
National Development and Reform Commission (NDRC), 122
neoclassical growth model, 16
Netherlands, the, 145
NATO, 100
net income (NI), 166
net interest margin (NIM), 165
Net Stable Funding Ratio (NSFR), 27
New Growth Pact, 148
New York Stock Exchange (NYSE), 19
New York Times, 66
Nigeria, 50, 65
'non-food manufactured inflation', 113
noninterest income (OI), 165
nonresident Indian (NRI), 105
North Caucasus, 89
net private capital flows, 33, 35, 40–2, 44, 56, 110
Net Stable Funding Ratio (NSFR), 27
- OA, Percentage of Other Assets to Total Assets, 157–8
OECD's new global macroeconomic model, 4, 160–4
Office of Financial Literacy, 25
Open Market Sale Scheme (OMSS), 114
Organization for Economic Cooperation and Development (OECD), 14, 54, 156–60
Ostry, Jonathon, 73
Oxford debate, 66
- Panic of '07, 4, 19
Panini, Antu, 33
Patterson, Michael, 177
People's Bank of China (PBC), 120
PepsiCo, 101
PetroleoBrasileiro SA, 80
Personal Consumption Expenditure (PCE), 85
Petrobras IPO, 83
Peru, 48
Poland, 43
Policy Trilemma, 11–12
Portfolio investment, 7, 9, 34–5, 45, 75, 113, 145
Porto Alegre, 81
Poulsen and Hufbauer, 60
Putin, Vladimir, 44
'private portfolio flows net', 35
provisions for loan losses (PL), 165
- 'quasi-multiplier effect', 34
Quantitative Restrictions, 115

- RBS Securities, 79
 RE, Cost of Equity (percentage), 158
 Regulation Q, 22
 Reinhardt, Dennis, 14, 16
 Repsol YPF Brazil, 79
 Republicans, 65
 Reserve Bank of India (RBI), 102, 109, 114–17
Resolution regimes, 153
Restrictions on foreign currency lending in Emerging Europe, 153
 return on lending assets (percentage) (RLA), 158
 return on other assets (percentage) (ROA), 158, 165
 return on equity (ROE), 165–6
 ‘ring-fence’, 154
 Rio de Janeiro, 73
 risk weighted assets (RWA), 151
 Risk-weighted Assets to Total Assets, 158
 Ritschl, Albert, 20
 ‘The Rock and the Hard Place on the Deficit’, 66
 Romania, 44
 Romer, Christina, 66
 Romer, Paul, 16
 Roosevelt Administration, 21
R-squared, 37
 Russia, 3, 7, 19, 42–4, 54, 62, 63, 71, 86–101, 172, 177–8
 Russian and Asian financial crisis, 10
 Russian labor market, 89
 Russia’s Finance Minister, 93

 St. Petersburg, 90
 S&P 500, 178
 SANRAL, 142
 Saoul, Michael, 177
 Saudi Arabia, 48, 50
 Secretary of the Treasury, 25
 Securities Act of 1933, 23–4
 Securities and Exchange Commission (SEC), 152
 Securities Exchange Act of 1934, 23–4
 Securitization rules, 153
 SELIC rate, 82–3
 Self-regulated organization (SRO), 19
 SGL, security gains (losses), 165

 Shanghai Stock Market, 6
 Sherbank, 86, 87
 Short term capital inflows, 43
 Singapore, 118
 Slovik and Courneade, 158, 163
 Solow, Robert, 16–17
solvency II, 153
 South America, 72
 South Africa, 3, 19, 43, 48, 50, 55, 63, 71, 74, 77, 134–48, 177
 South Africa, the gateway to Africa, 140
 South Africa Treasury Department, 142
 South African Central Bank, 43
 South African Reserve Bank (SARB), 139, 142, 144, 148
 South Africa’s National Treasury, 138
 Southeast Asia, 34, 64
 Sovereign credit defaults, 20
 Sovereign Monetary Policy, 12
 ‘spillovers’, 74
Spillover Reports, 75
 Standard Bank, 145
 Standard Charter Global Research, 104
 Strategic Arms Reduction Treaty (START), 100
 Sub-Saharan Africa, 56, 64, 65
 Swan, T.W., 16
 Swiss Federal Banking Commission (SFBC), 154
 Swiss National Bank (SNB), 154
 Switzerland, 156, 164

 Targeted Public Distribution System (TPDS), 114
 taxes paid (TAX), 165
 TAXSIM model, 66
 Technology transfer, 8
 Thailand, 47, 63
 Tier 1 capital, 151, 154, 156
 Tier one common equity requirement, 27
 Timmer, Hans, 63
 Tobin Tax, 109
 Tombini, Alexander, 73, 81
 total assets (TA), 165
 total expense (TE), 166

- total income equals $II + NI + - SGL$ (TR), 167
- Transnet, 142
- Travelers Insurance, 23
- Troubled Asset Relief Program (TARP), 151
- Tunisia, 48, 65
- Turkey, 43, 44, 63, 172
- UAE, 50
- UK Financial Services Authority (FSA), 154
- Ukraine, 44
- United Copper Company, 19, 20
- United Kingdom, 6, 20–1, 75, 151, 154, 156
- United Nations, 20, 77
- United Nations Conference on Trade and Development (UNCTAD), 60, 72, 119
- United Nations Department of Economic Affairs, 21
- United Nations World Economic Situation and Prospects of 2011, 77
- United States, 6–7, 9, 12, 16, 20–1, 26, 33, 37, 54, 62, 67, 100, 103, 118, 127, 145, 156, 159, 164, 170
- University of California at Berkeley, 66
- Unki Mines, 141
- Uribe, Jose, 74
- US benchmark 10 yr. treasury, 81
- US Civil War, 65
- US Congress, 19, 21, 54, 64, 80
- US Constitution (16th Amendment), 65
- US Supreme Court, 65
- US Treasury Department, 13, 22, 80
- US Treasury securities, 33
- Venezuela, 48
- Vickers Report, 154
- Vice Minister of Economic Development, 93
- Volcker Rule, 152–3
- VTB Bank, 87
- Waiquamdee, Atchana, 74
- Wells Fargo, 23
- Wholesale Price Index (WPI), 114
- ‘Why Doesn’t Capital Flow from Rich to Poor Countries, 13, 33
- Wilson, President Woodrow, 20
- Wilson Administration, 19
- World Bank, 51, 54–6, 63, 77, 87, 89, 91, 94, 95, 119–20, 136–7, 176
- World Bank *Economic Prospects*, 63
- World Bank *Global Economic Prospects*, 64
- World Bank Quarterly Report, 120–4, 128, 130, 132–3
- World War I, 20–1
- Zhu, Min, 73–4
- Zimbabwe, 141
- Zuma, President, 141