

AGN:
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SPRING SEMESTER 2021

INTERNATIONAL FINANCE

ANSWER 2 OF THE FOLLOWING 5 QUESTIONS.

Your answers should be no longer than 6 pages (per question) (at approximately 250 words per page).

EACH QUESTION COUNTS FOR 50% OF THE EXAM GRADE.

The course materials should provide sufficient material for your answers. Please provide brief citations to the course materials for your examples (e.g. International Finance Ch. 2, p. 10).

Note that there is some potential for overlap in answers to these questions. Avoid substantial overlap in your answers, because, as a general rule, you will only get credit once for each piece of information you give me. If you incorporate information in one answer into the other answer, for example by writing "see above", or "see answer to Question x" in your second answer, your grade for the second answer may suffer.

ANSWER 2 OF THE FOLLOWING 5 QUESTIONS.**1. Either:**

(a) “Financial activity crosses geographic borders easily, whereas law is confined by territorial boundaries.” With examples from the course materials, discuss this statement.

Or:

(b) “We believe that the interest—one widely shared in the financial community—in maintaining New York’s status as one of the foremost commercial centers is advanced by requiring debtors, including foreign debtors, to pay their debts.” (2d Circuit in *NML Capital v Argentina* (2013)).

Discuss.

- 2.** What issues in the legal regime for sovereign debt do you think should be addressed, and how?
- 3.** Should law adjust to financial innovations, or should financial innovation only be developed within the boundaries of existing law?
- 4.** Using examples from the course materials discuss the advantages and disadvantages of governmental reliance on financial institutions to enforce AML rules and sanctions measures.
- 5.** If you could fix one problem in international finance that you learned about in this class, what would it be and why?