

## International trade, exchange rates and capital flows

**Supervisors:** Dr Dimitris P. Sotiropoulos (Department for Accounting and Finance, The Open University Business School), Dr Andrew Trigg (Department of Economics, The Open University) and Dr Constantinos Repapis (IMS, Goldsmiths, University of London)

### Project description:

Since the collapse of the Bretton Woods managed exchange rate regime in the 1970s, the global economy has been characterised by a massive increase in international flows of capital. But in this time orthodox economic theory, with its reliance on comparative advantage, purchasing power parity and the law of one price, has struggled to develop a coherent explanation of exchange rate movements.

Heterodox theoretical traditions of political economy (Smith, Ricardo, Marx, Veblen, Keynes, Hayek, Kalecki, Minsky, etc.) can provide thorough insights into the workings of contemporary capitalism because their theoretical foundations give central importance to money and offer an interdisciplinary understanding of finance and production, emphasizing the social relations that support the organization of financial practises. We welcome applications from students interested in exploring heterodox alternatives to orthodox theories of trade and international capital flows. Potential topics include the relationship between international mobility of capital and profit rates, and the role of capital flows in relation to financial uncertainty.

Applications should demonstrate an interest in developing both a theoretical and empirical contribution, together with an insight into previous engagement with these issues. Successful applicants would join a growing and vibrant group of academics and PhD students in the Open Political Economy Group (OPEG) at the OU.

### Indicative references:

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