



US Financial Crisis: Is It the Moment for Bretton Woods II?

STRUCTURED ASSIGNMENT (SA)

SA has a set of logically sequenced questions based on a specific case study. These questions are meant to enhance the logical and analytical skills of the students. Students are advised to attempt a SA only after they have acquired a reasonable conceptual understanding as indicated below.

PREREQUISITE CONCEPTUAL UNDERSTANDING

- (a) Appreciation/Revaluation and Depreciation/Devaluation of Currency
- (b) Gold Standard
- (c) Effects of Foreign Exchange Rate on Exports and Imports

Structure of the Structured Assignment

Section	Title of the Section	Number of Questions
I	Reasons for the Origin of the BrettonWoods System	7
II	Demise of the BrettonWoods System	4
III	Connection between the Post-BrettonWoods Informal System and the US Housing Boom	5
IV	Revival of the BrettonWoods System	4

This structured assignment was written by Akashaya Kumar Jena under the direction of Saradhi Kumar Gonela. Revised (September 2009) by Hepsi Swarna, IBSCDC. It was prepared to accompany the case 'US Financial Crisis: Is It the Moment for Bretton Woods II?'

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INSTRUCTIONS TO THE STUDENTS

This assignment should accompany the case on *US Financial Crisis: Is It the Moment for Bretton Woods II?* developed by IBSCDC.

- The learning from this SA can be enriching if it is attempted after having a prerequisite understanding of concepts outlined in the previous page
- Start working on this assignment after carefully going through the case and grasping the significant aspects of the case, including the ‘central dilemma’
- Refer to the case as often as needed, when you are working on this assignment. This is an “open book” assignment
- Write your answers in as much detail as possible. Do not write cryptic or too brief answers in telegraphic language
- Attempt to answer all questions in all sections
- For a few questions, there may neither be ‘one’ answer nor a ‘correct’ answer. Therefore, give your analysis and logic wherever required. Develop your answers in an integrated manner drawing from your complete understanding of the case
- Use extra sheets, if necessary
- The time limit for completing the assignment and the weightages assigned to each section in this SA for the purpose of grading will be announced by the instructor.

For Use by the Student

Name of the Student :
 Enrolment Number :
 Programme :
 Course :
 Name of the Instructor :
 To be Submitted on :
 Signature of the Student :
 Date :

For Use by the Instructor

Grade Awarded/Marks Awarded :
 Remarks :
 Signature :
 Date :

16. What is the fallout of the US interest rate as regards the US housing sector?

Lined area for writing the answer to question 16.

