

Full Course Title: Moody's Investor Services: Central and Sub-national Government Relations: Measuring a Central Government's Contingent Liability Risk

Course Title for Registration System: Moody's Sub-national Govt Risk

Course Number: SIPAU9000.054

Faculty Advisor: Timothy J. Goodspeed

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Meeting Date/Times: Fridays 11:00A – 12:50P

Location: IAB 501A

Office Hours: Friday by appointment

Credits: 3

Course Overview:

Brief description of client: Moody's Sovereign Risk Group rates the government debt of over 100 countries worldwide. We have sovereign analysts in several cities across the world, including New York, London, Frankfurt, Dubai, and Singapore. We provide sovereign credit analyses for investors worldwide.

Summary of project: We seek to measure the potential cost to a country's central government resulting from its relations with its sub-national governments, possibly in a relative way by constructing an index. To keep the project manageable, the focus will be on a small set of countries in which central-subnational relations are important. These would include Spain, the United States, and possibly one other emerging market country depending on student make-up. Students should focus on the potential reasons for central government involvement and differences across countries in areas such as:

- sub-national and central government expenditure responsibilities
- sub-national revenue sources including any borrowing/debt rules
- the autonomy of sub-national governments
- the types of uses of transfers
- the role of the state in financial institutions
- corruption and budget transparency
- a country's history with respect to central-sub-national relations

Deliverables to client:

- Detailed work plan: early February
- Draft report outline: early March
- Draft report: early April
- Final report: third week of April
- Presentation of key findings and recommendations: last week of April (or last week of class)

Special skills/knowledge needed by team members:

- Language proficiency: Spanish an asset
- Expertise/knowledge in one or more of the following: public finance, central-subnational government relations, economics, quantitative analysis
- Research skills: budget and data analysis

Student selection: [All eligible students may apply for up to five workshops through a special online application process from October 15th until October 31st. Assignment of students will be coordinated by the Office of Academic Affairs, and relevant faculty will be consulted about team membership for their workshop(s).]

Grading:

Grades for the workshop will be based on the following criteria:

Quality of individual written work (10%)

Quality of participation in class, Peer review (20%)

Feedback from the client (20%)

Overall professionalism, including timeliness, ability to work with team, etc. (20%)

Quality of team's final report and briefing (30%)

***Academic Integrity Statement*:**

The School of International & Public Affairs does not tolerate cheating and/or plagiarism in any form. Those students who violate the Code of Academic & Professional Conduct will be subject to the Dean's Disciplinary Procedures. Cut and paste the following link into your browser to view the Code of Academic & Professional Conduct online.

http://sipa.columbia.edu/resources_services/student_affairs/academic_policies/deans_discipline_policy.html

Please familiarize yourself with the proper methods of citation and attribution. The School provides some useful resources online; we strongly encourage you to familiarize yourself with these various styles before conducting your research:

http://sipa.columbia.edu/resources_services/student_affairs/academic_policies/code_of_conduct.html

Violations of the Code of Academic & Professional Conduct should be reported to the Associate Dean for Student Affairs.