AMERICAN ECONOMIC ASSOCIATION

< The Unholy Trinity of Financial Contagion

Journal of Economic Perspectives
ISSN 0895-3309 (Print) | ISSN 1944-7965 (Online)

Menu

The Unholy Trinity of Financial Contagion

Graciela L. Kaminsky

Carmen M. Reinhart

Carlos A. Végh

JOURNAL OF ECONOMIC PERSPECTIVES
VOL. 17, NO. 4, FALL 2003
(pp. 51–74)

Download Full Text PDF
(Complimentary)

Article Information

Abstract

Over the last 20 years, some financial events, such as devaluations or defaults, have triggered an immediate adverse chain reaction in other countries—which we call fast and furious contagion. Yet, on other occasions, similar events have failed to trigger any immediate international reaction. We argue that fast and furious contagion episodes are characterized by "the unholy trinity": (i) they [illegible] surge in capital flows; (ii) they come as a surprise; and (iii) they [illegible]

This website uses cookies.

By clicking the "Accept" button or continuing to browse our site, you agree to first-party and session-only cookies being stored on your device to enhance site navigation and analyze site performance and traffic. For more information on our use of cookies, please see our Privacy Policy.

Accept

Citation

Kaminsky, Graciela, L., Carmen M. Reinhart, and Carlos A. Végh. 2003. "The Unholy Trinity of Financial Contagion." *Journal of Economic Perspectives* 17 (4): 51–74.

DOI: 10.1257/089533003772034899

Choose Format:

JEL Classification

F30 International Finance: General

F34 International Lending and Debt Problems

O19 International Linkages to Development; Role of International Organizations

P33 Socialist Institutions and Their Transitions: International Trade, Finance, Investment, Relations, and Aid

Terms of Use
Privacy Policy
Copyright 2026 American Economic Association. All rights reserved.

This website uses cookies.

By clicking the "Accept" button or continuing to browse our site, you agree to first-party and session-only cookies being stored on your device to enhance site navigation and analyze site performance and traffic. For more information on our use of cookies, please see our Privacy Policy.

Accept