

Monetary Policy SoSe 08

1. Strategic Interaction in International Monetary Policy

- Persson, Torsten and Guido Tabellini (2000). Political Economics, MIT Press, Chapter 18.

2. Modern Central Bank Communication

- Ehrmann, Michael and Marcel Fratzscher (2005). "Communication and decision-making by central bank committees - different strategies, same effectiveness?," Working Paper Series 488, European Central Bank.
- Ehrmann, Michael and Marcel Fratzscher (2005). Transparency, disclosure and the Federal Reserve, Working Paper Series 457, European Central Bank.

3. What is the optimal size for a monetary policy committee?

- Sibert, Anne (2006). Central Banking by Committee, DNB Working Paper No 91.
- Berger, H, Nitsch, V. and T. Lybek (2008). "Central Bank Boards around the World: Why Does Membership Size Differ?," European Journal of Political Economy, forthcoming.

4. Monetary Policy in the New Neoclassical Synthesis

- Goodfriend, M. (2004). Monetary Policy in the New Neoclassical Synthesis: A Primer, International Finance (Summer 2002). Reprinted in Federal Reserve Bank of Richmond Economic Quarterly (Summer 2004).

5. Is Central Bank Transparency Desirable?

- Geraats, Petra M. (2002). "Central Bank Transparency", Economic Journal, Royal Economic Society, vol. 112(483), pages 532-565, November.
- Geraats, Petra M. (2005). "Transparency of Monetary Policy: Theory and Practice", CESifo Working Paper No. 1597.
- Sibert, Anne (2006). "Is Central Bank Transparency Desirable?", CEPR Discussion Papers 5641.

6. Organizing a Federal Central Bank: Evaluating the ECB through the eyes of Alesina and Grilli

- Alesina, A. and V. Grilli (1994). "The European Central Bank: Reshaping Monetary Politics in Europe", in: *Monetary and Fiscal Policy* (1), eds. Persson, T. and G. Tabellini, MIT Press: Cambridge.
- CEPR, *Monitoring the European Central Bank*, 1-5.

7. The Case for Price Stability

- Goodfriend, M. and R.G. King (2000), "The Case for Price Stability", in: *ECB Volume on Why price stability?* Eds: Alicia García Herrero, Vítor Gaspar, Lex Hoogduin, Julian Morgan, and Bernhard Winkler.

8. Inflation Differentials in the Economic and Monetary Union (EMU) – Causes and Consequences

- Sinn, H.-W. and M. Reutter (2000). "The Minimum Inflation Rate for Euroland", CESifo Working Paper 377.
- ECB (2003). "Inflation Differentials in the Euro Area: Potential causes and Policy Implications", ECB: Frankfurt
- Honohan, P. and P. R. Lane (2003). "Divergent Inflation Rates in EMU", *Economic Policy*, 18 (37), 358-94

9. Does EMU affect Labor Market Reforms in Europe?

- Calmfors, L. (2001). "Unemployment, Labor Market Reform and Monetary Union", *Journal of Labor Economics*, 19 (2), 265-89
- European Commission (2002). "Employment in Europe – Recent Trends and Prospects", Chapter 2.
- IMF (2004). "Fostering Structural Reforms in Industrial Countries", *World Economic Outlook*, April 2004, Chapter 3.

10. Does Money Play a Role in Monetary Policy?

- Woodford, Michael (2007). "How Important is Money in the Conduct of Monetary Policy", *NBER Working Paper*, 13325.
- Nelson, Edward (2002). "Direct Effects of Base Money on Aggregate Demand: Theory and Evidence", *Journal of Monetary Economics*, 49(4), 687-708.
- Nelson, Edward (2003). "The Future of Monetary Aggregates in Monetary Policy Analysis", *Journal of Monetary Economics*, 50(5), 1029-59.