

**Institut für Volkswirtschaftslehre
- Geld, Währung und Internationale Finanzmärkte –**

BA-Seminar in Monetary Economics

The seminar will cover a range of topics in monetary theory and monetary policy. The seminar will run as a 4-6 (half) day course during the winter term 2021/2022. Students register via the central seminar registration group on OLAT (“Seminar Registration BA-VWL”).

The submission deadline for the seminar paper is January 10th, 2022.

A kick-off meeting will be held online at 10 a.m. on August 2nd, 2021 to fix dates for the seminar presentations. *Students should contact Dr. Duc Thi Luu (d.t.luu@economics.uni-kiel.de) to receive access information on how to join the online kick-off meeting.*

Students are required to write a seminar paper (15 pages) and to present this paper, consisting of a 30 minutes oral presentation on their chosen topic and 5 minutes discussion of another topic, which will be randomly assigned. Successful participation is rewarded with 5 ECTS.

1. The Problem of Establishing Credibility of Central Banks: Optimal Contracts for Central Bankers

Persson, T. and Tabellini, G. (1993). Designing institutions for monetary stability. *Carnegie-Rochester Conference Series on Public Policy*, 39:53-84.

Walsh, C. E. (1995). Optimal contracts for central bankers. *The American Economic Review*, 85(1):150-167.

2. The Problem of Establishing Credibility of Central Banks: Appointment of a Conservative Central Banker

Rogoff, K. (1985). The optimal degree of commitment to an intermediate monetary target. *The Quarterly Journal of Economics*, 100(4):1169-1189.

Cukierman, A. and Lippi, F. (1999). Central bank independence, centralization of wage bargaining, inflation and unemployment: Theory and some evidence. *European Economic Review*, 43(7):1395-1434.

3. Central Bank Independence and the Performance of Monetary Policy

Garriga, A. C. (2016). Central bank independence in the world: A new data set. *International Interactions*, 42(5):849-868.

Bodea, C. and Hicks, R. (2015). Price stability and central bank independence: Discipline, credibility, and democratic institutions. *International Organization*, 69(1):35-61.

Dall'Orto Mas, R., Vonessen, B., Fehlker, C., and Arnold, K. (2020). The case for central bank independence: a review of key issues in the international debate. *Occasional Paper Series 248, European Central Bank*.

4. Monetary Policy as Group Decision: The Working of Monetary Policy Committees

Chappell, H. W., Mcgregor, R. R., and Vermilyea, T. A. (2014). Power-Sharing in Monetary Policy Committees: Evidence from the United Kingdom and Sweden. *Journal of Money, Credit and Banking*, 46(4):665-692.

Hayo, B. and Méon, P.-G. (2013). Behind closed doors: Revealing the ECB's decision rule. *Journal of International Money and Finance*, 37:135-160.

5. Endogeneity of Money: Evidence and Implications

Deleidi, M. and Levrero, E. S. (2019). The money creation process: A theoretical and empirical analysis for the united states. *Metroeconomica*, 70(4):552-586.

Jakab, Z. and Kumhof, M. (2018). Banks are not intermediaries of loanable funds - facts, theory and evidence. *Bank of England working papers 761, Bank of England*.

6. Financial intermediaries, financial stability, and monetary policy

Adrian, T. and Shin, H. S. (2010). Financial intermediaries and monetary economics. In Friedman, B. M. and Woodford, M., editors, *Handbook of Monetary Economics*, volume 3, chapter 12, pages 601-650. Elsevier, 1 edition.

Adrian, T. and Shin, H. S. (2009). Money, liquidity, and monetary policy. *The American Economic Review*, 99(2):600-605.

7. Financial market reactions to monetary policy signals

Swanson, E. T. (2021). Measuring the effects of federal reserve forward guidance and asset purchases on financial markets. *Journal of Monetary Economics*, 118:32-53.

Altavilla, C., Brugnolini, L., Gürkaynak, R. S., Motto, R., and Ragusa, G. (2019). Measuring euro area monetary policy. *Journal of Monetary Economics*, 108:162-179.

8. How Did Quantitative Easing Work? Recent Empirical Evidence

Pegoraro, S. and Montagna, M. (2021). Issuance and valuation of corporate bonds with quantitative easing. *ECB Working Paper 2520*, Frankfurt a.M.

Toloui, R. (2019). How Did Quantitative Easing Really Work? A New Methodology for Measuring the Fed's Impact on Financial Markets. *Stanford Institute for Economic Policy Research Working Paper No. 19-032*.

9. International transmission of monetary policy

Ca' Zorzi, M., Dedola, L., Georgiadis, G., Jarociński, M., Stracca, L., and Strasser, G. (2020). Monetary policy and its transmission in a globalised world. *Working Paper Series 2407*, European Central Bank.

Dedola, L., Rivolta, G., and Stracca, L. (2017). If the Fed sneezes, who catches a cold? *Journal of International Economics*, 108: S23-S41.

10. Monetary policy responses to the COVID Health Crisis

Benmelech, E. and Tzur-Ilan, N. (2020). The Determinants of Fiscal and Monetary Policies During the Covid-19 Crisis. *NBER Working Papers 27461*, National Bureau of Economic Research, Inc.

Altavilla, C., Barbiero, F., Boucinha, M., and Burlon, L. (2020). The great lockdown: pandemic response policies and bank lending conditions. *Working Paper Series 2465*, European Central Bank.

And related literature.

General guideline and templates for seminar papers:

From the WiSo's website, you can find *the general guideline and templates for the seminar papers*: <https://www.wiso.uni-kiel.de/en/study/misc/info-inst-econ/theses>

For updated information, please also closely follow OLAT (BA-Seminar in Monetary Economics (WS2021/22))

<https://lms.uni-kiel.de/auth/RepositoryEntry/4227530788/CourseNode/98891971418326>

and the website of the chair <https://www.gwif.vwl.uni-kiel.de/en/news-1>