

# 10645-01: Monetary Theory

## Papers for Presentations

Dr. Oliver Sigrist  
Assistant: Romina Ruprecht

Spring Term 2017

### Credit economies

- Aiyagari, S. Rao, and Stephen Williamson. 1999. Credit in a random matching model with private information. *Review of Economic Dynamics* 2: 36-64.
- Corbae, Dean, and Joseph Ritter. 2004. Decentralized credit and monetary exchange without public record keeping. *Economic Theory* 24: 933-51.
- Jafarey, Saqib, and Peter Rupert. 2001. Limited commitment, money, and credit. *Journal of Economic Theory* 99: 22-58.

### Monetary Economies

- Andolfatto, David. 2010. Essential interest-bearing money. *Journal of Economic Theory* 145: 1495-1507.
- Berentsen, Aleksander, and Cyril Monnet. 2008. Monetary policy in a channel system. *Journal of Monetary Economics* 55: 1067-80.
- Berentsen, Aleksander, Guillaume Rocheteau, and Shouyong Shi. 2007. Friedman meets Hosios: Efficiency in search models of money. *The Economic Journal* 117: 174-95.
- Berentsen, Aleksander, and Christopher Waller. 2011. Price level targeting and stabilization policy. *Journal of Money, Credit and Banking* 43: 559-580.
- Deviatov, Alexei, and Neil Wallace. 2009. A model in which monetary policy is about money. *Journal of Monetary Economics* 56: 283-88.
- Ennis, Huberto. 2009. Avoiding the inflation tax. *International Economic Review* 50: 607-25.
- Faig, Miquel, and Zhe Li. 2009. The welfare costs of expected and unexpected inflation. *Journal of Monetary Economics* 56: 1004-13.
- Lagos, Ricardo and Guillaume Rocheteau. 2005. Inflation, output, and welfare. *International Economic Review* 46: 495-522.
- Rocheteau, Guillaume, Peter Rupert, Karl Shell, and Randall Wright. 2008. General equilibrium with nonconvexities and money. *Journal of Economic Theory* 142: 294-317.
- Rocheteau, Guillaume and Randall Wright. 2005. Money in search equilibrium, in competitive equilibrium, and in competitive search equilibrium. *Econometrica* 73: 175-202.
- Wright, Randall. 2010. A uniqueness proof for monetary steady state. *Journal of Economic Theory* 145: 382-91.
- Stephen D. Williamson. 2016. Interest on Reserves, Interbank lending, and Monetary Policy. *FRB St. Louis Paper No. FEDLWP2015-024*.

## Money and other media of exchange

- Berentsen, Aleksander, Gabriele Camera, and Christopher Waller. 2007. Money, credit and banking. *Journal of Economic Theory* 135: 171-95.
- Berentsen, Aleksander and Christopher Waller. 2009. Outside versus inside bonds: A Modigliani-Miller type result for liquidity constrained economies. *Journal of Economic Theory* 146: 1852-87.
- Ferraris, Leo and Makoto Watanabe. 2008. Collateral secured loans in a monetary economy. *Journal of Economic Theory* 143: 405-24.
- Gu, Chao, Fabrizio Mattesini, and Randall Wright. 2015. Money and credit redux. *Econometrica* forthcoming.
- Lagos, Ricardo and Guillaume Rocheteau. 2008. Money and capital as competing media of exchange. *Journal of Economic Theory* 142: 247-58.
- Lotz, Sebastien, and Cathy Zhang. 2015. Money and credit as means of payment: A new monetarist approach. *Journal of Economic Theory*
- Rocheteau, Guillaume and Randall Wright. 2013. Liquidity and asset-market dynamics. *Journal of Monetary Economics* 60: 275-94.
- Telyukova, Irina, and Randall Wright. 2008. A model of money and credit, with application to the credit card debt puzzle. *Review of Economic Studies* 75: 629-47.
- Venkateswaran, Venky, and Randall Wright. 2013. Pledgability and liquidity: A new monetarist model of financial and macroeconomic activity. *NBER Working Paper* No. w19009.
- Qing Liu and Shouyong Shi. 2010. Currency areas and monetary coordination. *International Economic Review* 51(3): 831 - 836.
- Pedro Gomis-Porqueras, Timothy Kam and Christopher Waller. Forthcoming. Nominal Exchange Rate Determinacy Under the Threat of Currency Counterfeiting. *American Economic Journal: Macroeconomics*.
- Cathy Zhang. 2014. An information-based theory of international currency. *Journal of International Economics* 93: 286-301.

## Money and information asymmetries

- Andolfatto, David, Aleksander Berentsen and Christopher Waller. 2014. Optimal Disclosure Policy and Undue Diligence. *Journal of Economic Theory* 149: 128-52.
- Ennis, Huberto. 2008. Search, money, and inflation under private information. *Journal of Economic Theory* 138: 101-31.
- Sanches, Daniel, and Stephen Williamson. 2010. Money and credit with limited commitment and theft. *Journal of Economic Theory* 145: 1525-49.
- Sanches, Daniel, and Stephen Williamson. 2011. Adverse selection, segmented markets, and the role of monetary policy. *Macroeconomic Dynamics* 15: 269-292.

## Money, Assets, and financial stability

- Farhi, Emmanuel, and Jean Tirole. 2011. Bubble liquidity. *The Review of Economic Studies*
- Geromichalos, Athanasios, Juan Licari, and Jose Suarez-Lledo. 2007. Monetary policy and asset prices. *Review of Economic Dynamics* 10: 761-79.
- Li, Ying-Syuan, and Yiting Li. 2013. Liquidity and asset prices: A new monetarist approach. *Journal of Monetary Economics* 60: 426-38.

David Andolfatto and Aleksander Berentsen and Fernando M. Martin. 2016. Financial Fragility in Monetary Economies. *2016 Meeting Papers*. No. 1626. Society for Economic Dynamics.

David Andolfatto and Stephen Williamson. 2015. Scarcity of Safe Assets, Inflation, and the Policy Trap. *Journal of Monetary Economics* 73: 70-92.

Stephen D. Williamson. 2016. Scarce Collateral, the Term Premium and Quantitative Easing. *Journal of Economic Theory* 164: 136-165.

### **Money, sticky prices, and menu costs**

Aruoba, S. Boragan, and Frank Schorfheide. 2011. Sticky prices versus monetary frictions: An estimation of policy trade-offs. *American Economic Journal: Macroeconomics* 3: 60-90.

Burdett, Kenneth, Albert Trejos, and Randall Wright. 2015. A simple model of monetary exchange with sticky and disperse prices. *Working paper*

Craig, Ben and Guillaume Rocheteau. 2008. State-dependent pricing, inflation, and welfare in search economies. *European Economic Review* 52: 441-68.

Head, Allen, Lucy Qian Liu, Guido Menzio, and Randall Wright. 2012. Sticky prices: A new monetarist approach. *Journal of the European Economic Association* 10: 939-73.

### **Money and fiscal policy**

Aruoba, S. Boragan, and Sanjay Chugh. 2010. Optimal fiscal and monetary policy when money is essential. *Journal of Economic Theory* 1618-47.

Martin, Fernando. 2011. On the joint determination of fiscal and monetary policy. *Journal of Monetary Economics* 58: 132-45.

Martin, Fernando. 2013. Government Policy in Monetary Economies. *International Economic Review* 54: 185-217.

Martin, Fernando. 2015. Debt, inflation and central bank independence. *European Economic Review* 79:129-50.

### **Money and the business cycle**

Aruoba, S. Boragan. 2011. Money, search, and business cycles. *International Economic Review* 52: 935-59.

Telyukova, Irina, and Ludo Visschers. 2013. Precautionary money demand in a business-cycle model. *Journal of Monetary Economics* 60: 900-916.

### **Money and neoclassical growth**

Andolfatto, David, Aleksander Berentsen, and Christopher Waller. 2015. Monetary policy with asset-backed money. *Journal of Economic Theory*

Aruoba, S. Boragan, Christopher Waller, and Randall Wright. 2011. Money and capital. *Journal of Monetary Economics* 58: 98-116.

### **Money and unemployment**

Berentsen, Aleksander, Guido Menzio, and Randall Wright. 2011. Inflation and unemployment in the long run. *American Economic Review* 101: 371-98.

Dong, Mei. 2010. Inflation and unemployment in competitive search equilibrium. *Macroeconomic Dynamics* 15: 252-68.

### **Money and distribution**

Berentsen, Aleksander, Gabriele Camera, and Christopher Waller. 2005. The distribution of money balances and the nonneutrality of money. *International Economic Review* 46: 465-87.

Camera, Gabriele, and YiLi Chien. 2014. Understanding the distributional impact of long-run inflation. *Journal of Money, Credit and Banking* 46: 1137-70.

Chiu, Jonathan and Miguel Molico. 2010. Liquidity, redistribution, and the welfare cost of inflation. *Journal of Monetary Economics* 57: 428-38.

### **Money and innovation**

Berentsen, Aleksander, Mariana Rojas Breu, and Shouyong Shi. 2012. Liquidity, innovation and growth. *Journal of Monetary Economics* 59: 721-37.

Silveira, Rafael, and Randall Wright. 2016. Venture capital: A model of search and bargaining. *Review of Economic Dynamics* 19: 232-46.

### **Money and housing**

S. Boragan, Aruoba, Morris Davis, Randall Wright. 2014. Homework in monetary economics: Inflation, home production, and the production of homes. *Review of Economic Dynamics*

He, Chao, Randall Wright, and Yu Zhu. 2015. Housing and liquidity. *Review of Economic Dynamics* 18: 435-55.