Contents

List of contributors	
by Pascal Salin	1
PART ONE: CURRENCY COMPETITION	
Chapter I. The theory of currency competition	
1. The future unit of value	
by Friedrich A. Hayek	29
2. Currency competition: A sceptical view	
by Milton Friedman	42
3. Monetary integration and monetary stability: The economic criteria	
of the monetary constitution	17
by Emil Maria Claassen	47
Chapter II. The history of currency competition	
1. Private competitive note issue in monetary history	
by Roland Vaubel	59
2. The Scottish banking system in the eighteenth and nineteenth	
century	
by Arthur Shenfield	74
3. The need for a lender of last resort	
by Frédéric Boyer de la Giroday†	75
4. Further remarks on past experiences	
by Leonard P. Liggio	80
5. The British monetary experience, 1797-1821	0.4
by Arthur Shenfield	84

Chapter III. The history of monetary thought on currency competition	
Central bank monopoly in the history of economic thought: A century of myopia in England by Pedro Schwartz	95
2. Past justifications for public intervention	93
by David O'Mahony	127
by Lawrence H. White	130
Chapter IV. The current debate: The return to gold and the liberalizatio banking	n of
1. Backgrounder on the gold standard	105
by Lisa Gustin	135
by Joe Cobb	153
PART TWO: MONETARY UNION Introduction to Part Two. Which monetary integration? by Pascal Salin	173
Chapter V. The European Monetary System	
 From the myth of the 'snake' to the myth of the 'E.C.U.' by Pascal Salin	179
by Pascal Salin	196
Chapter VI. Is the adjustable peg a viable option?	
1. The adjustable peg: A viable option for the E.M.S.?	
by Niels Thygesen	215
• •	234
	240

Chap	oter VII. Freely flexible exchange rates or a common currency?	
1.	Freely flexible exchange rates or a common currency? A new look at the issue	
•	by Harmen Lehment	247
2.	Political union and monetary union	2//
	by Paul de Grauwe	260
Chaj	oter VIII. Exchange controls for ever?	
1.	Exchange controls for ever? The experience of the United Kingdom	
	by Robert Miller	263
2.	Why do exchange controls exist?	
	by Nasser Saïdi	270
3.	A case for temporary exchange controls?	
	by Hans W.J. Bosman	277
Chap	oter IX. Towards a better European Monetary System	
	by Pascal Salin	279
App	endix to Bibliographical Note (Lawrence H. White)	287
The	authors	289
Inde	y of names	295