
Contents

<i>List of contributors</i>	xxii
<i>Introduction</i>	xxviii
100% money <i>Jonathan Massonnet</i>	1
Amsterdamse Wisselbank <i>Dirk Bezemer</i>	4
Asset-based reserve requirements <i>Aleksandr V. Gevorkyan</i>	6
Asset management <i>Neil M. Lancaster</i>	8
Asset price inflation <i>David Colander</i>	10
Asymmetric information <i>Roy J. Rotheim</i>	12
Bagehot rule <i>Thorvald Grung Moe</i>	15
Bagehot, Walter <i>Andrea Pacella and Riccardo Realfonzo</i>	16
Bancor <i>Pietro Alessandrini</i>	18
Bank Act of 1844 <i>Xavier Bradley</i>	21
Bank capital and the new credit multiplier <i>Yannis Panagopoulos and Aristotelis Spiliotis</i>	23
Bank deposit insurance <i>Claudia Maya</i>	25
Bank deposits <i>Oliver Simon Baer</i>	26

Banking and Currency Schools <i>Stefano Figuera</i>	28
Banking supervision <i>Ruxandra Pavelchievici</i>	29
Bank money <i>Oliver Simon Baer</i>	32
Bank of Canada <i>Mario Seccareccia</i>	34
Bank of England <i>Philip Arestis</i>	36
Bank of Italy <i>Alessandro Caiani</i>	38
Bank of Japan <i>Takashi Yagi</i>	40
Bank run <i>Virginie Monvoisin</i>	42
Banque de France <i>Claude Gnos</i>	44
Barings Bank <i>Robert H. Koehn</i>	46
Basel Agreements <i>Fernando J. Cardim de Carvalho</i>	48
Bernanke, Ben Shalom <i>Jamie Morgan and Brendan Sheehan</i>	50
Biddle, Nicholas <i>Nathaniel Cline</i>	52
BIS macro-prudential approach <i>Ivo Maes</i>	54
Bretton Woods regime <i>Omar F. Hamouda</i>	56

Bubble <i>Alicia Girón</i>	59
Bubble Act <i>William E. McColloch</i>	60
Bullionist debates <i>Lefteris Tsoulfidis</i>	61
Burns, Arthur Frank <i>James Forder</i>	64
Capital controls <i>Kevin P. Gallagher</i>	66
Capital flight <i>Emiliano Libman</i>	68
Capital requirements <i>Fabio S. Panzera</i>	69
Carney, Mark <i>Jim Stanford</i>	71
Carry trade <i>Daniela Gabor</i>	74
Cash <i>Oliver Simon Baer</i>	76
Central bank as fiscal agent of the Treasury <i>Eric Tymoigne</i>	78
Central bank bills <i>Aleksandr V. Gevorkyan</i>	80
Central bank credibility <i>Emmanuel Carré</i>	82
Central bank independence <i>Arne Heise</i>	85
Central bank money <i>Andrea Terzi</i>	87

Chartalism <i>Charles Albert Eric Goodhart</i>	89
Chicago Plan <i>Jonathan Massonnet</i>	92
Classical dichotomy <i>David M. Fields</i>	94
Clearing system <i>Edoardo Beretta</i>	96
Collateral <i>Vera Dianova</i>	97
Commodity money <i>Aris Papageorgiou and Lefteris Tsoulfidis</i>	99
Consumer price indices <i>James Forder</i>	101
Contagion <i>Sebastian Weyih</i>	103
Contested terrain <i>Gerald Epstein</i>	105
Convertibility law <i>Juan Matías De Lucchi</i>	107
Core inflation <i>Vidhura S. Tennekoon</i>	109
Corridor and floor systems <i>Andrea Terzi</i>	111
Credibility and reputation <i>Dany Lang</i>	113
Credit bubble <i>Steve Keen</i>	114
Credit creation <i>Richard A. Werner</i>	116

Credit divisor <i>Greg Hanngsen</i>	119
Credit easing <i>Richard A. Werner</i>	121
Credit guidance <i>Richard A. Werner</i>	123
Credit rationing <i>Arne Heise</i>	125
Cross-border retail banking <i>Harald Sander</i>	128
Currency board <i>Jean-François Ponsot</i>	130
Currency crisis <i>Brenda Spotton Visano</i>	132
Debasement <i>Lefteris Tsoufidis</i>	135
Debt crisis <i>Brenda Spotton Visano</i>	136
Debt deflation <i>Steve Keen</i>	138
Deleveraging <i>Domenica Tropeano</i>	140
Deutsche Bundesbank <i>Jörg Bibow</i>	141
Development banks <i>Wesley C. Marshall</i>	144
Dollar hegemony <i>David M. Fields</i>	145
Dollarization <i>Mehdi Ben Guirat and Louis-Philippe Rochon</i>	148

Draghi, Mario <i>Stefano Lucarelli</i>	150
Effective lower bound <i>Fabio S. Panzera</i>	153
Efficient markets theory <i>Robert W. Dimand</i>	154
Endogenous money <i>Giancarlo Bertocco</i>	157
Euro-area crisis <i>Sergio Rossi</i>	159
European Central Bank <i>Jörg Bibow</i>	160
European monetary union <i>Claude Gnos</i>	163
Exchange-rate interventions <i>Alexander Mihailov</i>	165
Exchange-rate pass-through <i>Carlos Schönerwald</i>	167
Exchange-rate targeting <i>Luigi Ventimiglia</i>	170
Fear of floating <i>Juan Barredo Zuriarrain</i>	172
Federal Open Market Committee <i>Daniel H. Neilson</i>	174
Federal Reserve System <i>Ruxandra Pavelchievici</i>	176
Fiat money <i>Edward J. Nell</i>	178
Finance and economic growth <i>Eckhard Hein</i>	180

Financial bubble <i>Fabio S. Panzera</i>	183
Financial crisis <i>Robert Guttman</i>	185
Financial deregulation <i>Eugenia Correa</i>	187
Financial innovation <i>Daniela Tavasci</i>	189
Financial instability <i>Fabio S. Panzera</i>	191
Financial instability hypothesis <i>Jan Toporowski</i>	193
Financial integration <i>Marco Veronese Passarella</i>	195
Financialization <i>Özgür Orhangazi</i>	197
Financial literacy <i>Robert H. Scott</i>	199
Financial repression <i>Juan Matias De Lucchi</i>	201
Financial supervision <i>Fabio S. Panzera</i>	203
Financial transactions tax <i>Noemi Levy-Orlik</i>	205
First and Second Banks of the United States <i>Jane Knodell</i>	207
Fisher effect <i>Angel Asensio</i>	209
Flow of funds <i>Eugenio Caverzasi and Antoine Godin</i>	211

Forward guidance <i>Vera Dianova</i>	213
Fractional reserve banking <i>Giancarlo Bertocco</i>	215
Free banking <i>Stefano Figuera</i>	217
Friedman rule <i>Alexander Mihailov</i>	219
Gibson's paradox <i>Alejandro Fiorito</i>	223
Glass–Steagall Act <i>Aldo Barba</i>	224
Goodhart's law <i>Charles Albert Eric Goodhart</i>	227
Greenbacks <i>Robert W. Parenteau</i>	228
Greenspan, Alan <i>Jamie Morgan and Brendan Sheehan</i>	230
Gresham's law <i>Mario Seccareccia</i>	232
Hayek, Friedrich Augustus von <i>Maria Alejandra Caporale Madi</i>	235
High-powered money <i>Maria Alejandra Caporale Madi</i>	236
Housing bubble <i>Theodore Koutsobinas</i>	239
Hume, David <i>Nathan Tankus</i>	241
Hyperinflation <i>Esteban Pérez Caldentey</i>	243

Impossible trinity <i>Ricardo Summa</i>	245
Inconvertibility <i>Nikolay Nenovsky</i>	247
Inflation <i>Alvaro Cencini</i>	248
Inflation measurement <i>Sergio Rossi</i>	251
Inflation targeting <i>Sergio Rossi</i>	254
Ingot Plan <i>Germán D. Feldman</i>	255
Inside and outside money <i>James Andrew Felkerson</i>	257
Interdependence of money demand and supply <i>Duccio Cavalieri</i>	259
Interest rate pass-through <i>Natalia Andries</i>	261
Interest rate rules – post-Keynesian <i>Mark Setterfield</i>	263
Interest rates setting <i>Angel Asensio</i>	265
Interest rates term structure <i>James Andrew Felkerson</i>	267
International gold standard <i>Ramaa Vasudevan</i>	269
International Monetary Fund <i>Eugenio Caverzasi</i>	271
International reserves <i>Jean-François Ponsot</i>	273

International settlement institution <i>Sergio Rossi</i>	275
Investment banking <i>Jamie Morgan and Brendan Sheehan</i>	277
Kemmerer, Edwin Walter <i>Rebeca Gomez Betancourt</i>	280
Keynes as monetary adviser <i>Anna Carabelli</i>	282
Keynes as monetary theorist <i>Luca Fantacci and Maria Cristina Marcuzzo</i>	284
Keynes Plan <i>Mario Cedrini</i>	286
King, Mervyn <i>Olivier Giovannoni</i>	288
Lamfalussy, Alexandre <i>Ivo Maes</i>	291
Law, John <i>Nikolay Nenovsky</i>	292
Lender of last resort <i>Domenica Tropeano</i>	294
Liability management <i>Maria Alejandra Caporale Madi</i>	296
LIBOR <i>Alexis Stenfors</i>	298
Liquidity trap <i>Sheila C. Dow</i>	300
Long-term refinancing operations <i>Benjamin Schmidt and Peter Spahn</i>	302
Macro-prudential policies <i>Fabio S. Panzera</i>	305

Macro-prudential tools <i>Helene Schuberth</i>	307
Marx, Karl <i>William E. McColloch</i>	309
Merchant banks <i>Marcelo Milan</i>	311
Metallism <i>Devin T. Rafferty</i>	313
Minsky, Hyman Philip <i>Marco Veronese Passarella</i>	315
Minsky moment <i>Helene Schuberth</i>	318
Modern Money Theory <i>Eugenio Caverzasi and Antoine Godin</i>	320
Modigliani–Miller theorem <i>Tracy Mott</i>	322
Monetarism <i>Alvaro Cencini</i>	324
Monetary aggregates <i>Jonathan Massonnet</i>	326
Monetary approach to the balance of payments <i>Alexander Mihailov</i>	329
Monetary circuit <i>Louis-Philippe Rochon</i>	331
<i>Monetary History of the United States, 1867–1960</i> <i>Ruxandra Pavelchievici</i>	333
Monetary policy and income distribution <i>Pierre Monnin</i>	335
Monetary policy in a small open economy <i>Etelberto Ortiz</i>	337

Monetary policy indicators <i>Theodore Koutsobinas</i>	339
Monetary policy instruments <i>Maria Alejandra Caporale Madi</i>	341
Monetary policy objectives <i>Nathan Perry</i>	343
Monetary policy transmission channels – neoclassical <i>Emmanuel Carré</i>	345
Monetary policy transmission channels – post-Keynesian <i>Eladio Febrero and Jorge Uxó</i>	347
Monetary targeting <i>Helene Schuberth</i>	350
Monetary theory of distribution <i>Massimo Pivetti</i>	352
Money and credit <i>Antoine Godin</i>	354
Money creation <i>Bernard Vallageas</i>	356
Money creation and economic growth <i>Mathias Binswanger</i>	357
Money doctors <i>Eric Helleiner</i>	360
Money illusion <i>Giuseppe Mastromatteo and Adelmo Tedeschi</i>	361
Money multiplier <i>John Smithin</i>	363
Money neutrality <i>Angel Asensio</i>	366
Money supply <i>Jo Michell and Engelbert Stockhammer</i>	368

Narrow banking <i>William Miles</i>	371
National Banking Acts <i>Nathaniel Cline</i>	373
Natural rate of interest <i>Jonathan Massonnet</i>	374
Negative rate of interest <i>Fabio S. Panzera</i>	376
Norges Bank <i>Thorvald Grung Moe</i>	378
Norman, Montagu <i>Robert W. Parenteau</i>	380
Open-market operations <i>Nathan Perry</i>	383
Open-mouth operations <i>Vijayaraghavan Ramanan</i>	385
Operation Twist <i>Tracy Mott</i>	386
Optimal international currency reserves <i>Mehdi Ben Guirat</i>	388
Optimum currency area <i>Annina Kaltenbrunner and Engelbert Stockhammer</i>	391
Original sin <i>Jean-François Ponsot</i>	392
Output gap <i>Gilberto Libanio and Marco Flávio Resende</i>	394
Outright Monetary Transactions <i>Vincent Grossmann-Wirth</i>	396
Padoa-Schioppa, Tommaso <i>Fabio Masini</i>	399

Patinkin, Don <i>Esteban Pérez Caldentey</i>	401
People's Bank of China <i>Gilberto Libanio</i>	403
Phillips curve <i>Malcolm Sawyer</i>	405
Policy rates of interest <i>Vera Dianova</i>	407
Prebisch, Raúl <i>Esteban Pérez Caldentey</i>	409
Price-level targeting <i>Emmanuel Carré</i>	411
Quantitative easing <i>Brian K. MacLean</i>	414
Quantity theory of credit <i>Richard A. Werner</i>	416
Quantity theory of money <i>Giuseppe Mastromatteo and Adelmo Tedeschi</i>	419
Quantum macroeconomics <i>Alvaro Cencini</i>	422
Quesnay, Pierre <i>Muriel Dal-Pont Legrand and Dominique Torre</i>	424
Random walk <i>Neil M. Lancaster</i>	427
Real-balance effect <i>Jonathan Massonnet</i>	428
Real bills doctrine <i>Philip Pilkington</i>	430
Reflux mechanism <i>Vijayaraghavan Ramanan and Louis-Philippe Rochon</i>	432

Reichsbank <i>Richard A. Werner</i>	434
Repurchase agreement <i>Philip Pilkington</i>	437
Reserve Bank of India <i>Suranjana Nabar-Bhaduri</i>	439
Reserve currency <i>Salewa 'Yinka Olawoye</i>	441
Reserve requirements <i>James Andrew Felkerson</i>	443
Ricardo, David <i>John E. King</i>	446
Rist, Charles <i>Dominique Torre</i>	448
Rules versus discretion <i>Dany Lang</i>	450
Schacht, Hjalmar Horace Greeley <i>Edoardo Beretta</i>	453
Settlement balances <i>Vidhura S. Tennekoon</i>	455
Settlement system <i>Vidhura S. Tennekoon</i>	456
Shadow banking <i>Wesley C. Marshall</i>	458
Sovereign lending <i>Aldo Barba</i>	460
State money <i>Jonathan Massonnet</i>	462
Sterilization <i>Daniela Gabor</i>	465

Strong, Benjamin <i>Slim Thabet</i>	466
Sudden stops <i>Daniela Tavasci and Luigi Ventimiglia</i>	468
Sveriges Riksbank <i>Elias Bengtsson</i>	470
Swap <i>Benoît Nguyen</i>	471
Swiss National Bank <i>Sergio Rossi</i>	474
Systemically important financial institutions <i>Oliver Simon Baer</i>	475
TARGET2 system <i>Sergio Rossi</i>	478
Taylor rule <i>Peter Kriesler</i>	480
Thornton, Henry <i>Aldo Barba</i>	482
Time inconsistency <i>Angel Asensio</i>	484
Tobin tax <i>Slim Thabet</i>	486
Triffin dilemma <i>Jörg Bibow</i>	488
Triffin, Robert <i>Esteban Pérez Caldentey</i>	491
Twin crises <i>William Miles</i>	493
Usury laws <i>Mohamed Aslam and Marie-Aimee Tourres</i>	495

Volcker experiment <i>Giuseppe Mastromatteo and Giovanni Battista Pittaluga</i>	497
Vulture fund <i>David Pringle</i>	498
White, Harry Dexter <i>Juan Barredo Zuriarrain</i>	501
Wicksell, Knut <i>Jonathan Massonnet</i>	503
Yield curve <i>Edward J. Nell</i>	505
Zero interest-rate policy <i>Philip Pilkington</i>	508