Monetary Policy in the Euro Area

How the European Central Bank (ECB) works, and how well it performs, is one of the most important issues facing Europe, and has been the subject of vast media and academic interest. Almost daily the ECB is a topic of discussion in the press and among ‘Euro Watchers’. Much of this discussion has been of a confused and political nature and has served to blur rather than inform.

This book, written by a team at the ECB including Otmar Issing, the ECB’s Chief Economist, provides the first comprehensive, insider, non-technical analysis of the monetary policy strategy, institutional features and operational procedures of the Eurosystem.

The goals and the transmission mechanism of monetary policy are explored, as are the theoretical and empirical results underpinning the ‘stability-oriented monetary policy strategy’ adopted by the ECB. The characteristics of this strategy are also discussed in comparison with suggested alternatives.

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Strategy and Decision Making at the European Central Bank

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All at the European Central Bank
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