

I
C
B

INTERNATIONAL JOURNAL OF CENTRAL BANKING
Volume 4, Number 3
September 2008

I
C
B

INTERNATIONAL JOURNAL OF CENTRAL BANKING

Monetary Policy in a Monetary Union: What Role for Regional Information?

Paolo Angelini, Paolo Del Giovane, Stefano Siviero, and Daniele Terlizzese

Capital Requirements and Bank Behavior in the Early 1990s: Cross-Country Evidence

Patrick Van Roy

Inflation Thresholds and Relative Price Variability: Evidence from U.S. Cities

Alexander Bick and Dieter Nautz

Incomplete Interest Rate Pass-Through and Optimal Monetary Policy

Teruyoshi Kobayashi

The Role of the Chairman in Setting Monetary Policy: Individualistic vs. Autocratically Collegial MPCs

Petra Gerlach-Kristen

The Expected Interest Rate Path: Alignment of Expectations vs. Creative Opacity

Pierre Gosselin, Aileen Lotz, and Charles Wyplosz



Monetary Policy in a Monetary Union: What Role for Regional Information? <i>Paolo Angelini, Paolo Del Giovane, Stefano Siviero, and Daniele Terlizzese</i>	1
Capital Requirements and Bank Behavior in the Early 1990s: Cross-Country Evidence <i>Patrick Van Roy</i>	29
Inflation Thresholds and Relative Price Variability: Evidence from U.S. Cities <i>Alexander Bick and Dieter Nautz</i>	61
Incomplete Interest Rate Pass-Through and Optimal Monetary Policy <i>Teruyoshi Kobayashi</i>	77
The Role of the Chairman in Setting Monetary Policy: Individualistic vs. Autocratically Collegial MPCs <i>Petra Gerlach-Kristen</i>	119
The Expected Interest Rate Path: Alignment of Expectations vs. Creative Opacity <i>Pierre Gosselin, Aileen Lotz, and Charles Wyplosz</i>	145

The contents of this journal, together with additional materials provided by article authors, are available without charge at www.ijcb.org.

Copyright © 2008 by the Association of the International Journal of Central Banking. All rights reserved. Brief excerpts may be reproduced or translated provided the source is cited. Consult www.ijcb.org for further information.

The *International Journal of Central Banking* is published quarterly (ISSN: 1815-4654). Online access to the publication is available free of charge at www.ijcb.org. Individual print subscriptions are available at an annual rate of \$100 (USD).

Print subscription orders may be placed online at www.ijcb.org, by phone (+49 69 1344 7623), via fax (+49 69 1344 8553), or by e-mail (editor@ijcb.org).

Renewals, claims, address changes, and requests for permission to reprint material from this journal should be addressed to:

International Journal of Central Banking
DG Research
European Central Bank
Postfach 16 03 19
D-60066 Frankfurt
Germany
Phone: +49 69 1344 7623
Fax: +49 69 1344 8553
E-mail: editor@ijcb.org

The views expressed in this journal do not necessarily represent the views of the Association of the International Journal of Central Banking or any of its members.

ISSN: 1815-4654

International Journal of Central Banking

Board of Directors

Chairman

Charles Bean, *Bank of England*

Board Members

Abdulrahman Al-Hamidy, *Saudi Arabian Monetary Agency*

Jan Marc Berk, *The Nederlandsche Bank*

Claudio Borio, *Bank for International Settlements*

Mohammed Tahar Bouhouche, *Bank of Algeria*

Malcolm Edey, *Reserve Bank of Australia*

Khor Hoe Ee, *Monetary Authority of Singapore*

Manuel Ramos Francia, *Bank of Mexico*

Hans Genberg, *Hong Kong Monetary Authority*

Heinz Herrmann, *Deutsche Bundesbank*

Tor Jacobson, *Sveriges Riksbank*

He Jianxiong, *People's Bank of China*

Juan F. Jimeno, *Bank of Spain*

Ali Hakan Kara, *Central Bank of Turkey*

Ulrich Kohli, *Swiss National Bank*

Donald Kohn, *Federal Reserve Board*

Ana Leal, *Bank of Portugal*

Mario Mesquita, *Central Bank of Brazil*

Vyacheslav Morgunov, *Central Bank of Russian Federation*

John Murray, *Bank of Canada*

Tom O'Connell, *Central Bank of Ireland*

Fabio Panetta, *Bank of Italy*

Christian Pfister, *Bank of France*

Jan Qvigstad, *Norges Bank*

Lucrezia Reichlin, *European Central Bank*

Ivan Ribnikar, *Bank of Slovenia*

Arnor Sighvatsson, *Central Bank of Iceland*

Jan Smets, *National Bank of Belgium*

Wataru Takahashi, *Bank of Japan*

Juha Tarkka, *Bank of Finland*

George Tavlas, *Bank of Greece*

Dobieslaw Tymoczko, *National Bank of Poland*

Editorial Board

Managing Editor

Frank Smets

European Central Bank

Co-editors

Hyun Shin
Princeton University

Andrew Levin
Federal Reserve Board

Kazuo Ueda
The University of Tokyo

Carl E. Walsh
University of California

Associate Editors

Franklin Allen
The Wharton School of the
University of Pennsylvania

Michael D. Bordo
Rutgers University

Guy Debelle
Reserve Bank of Australia

Michael B. Devereux
University of British Columbia

Douglas W. Diamond
University of Chicago Graduate
School of Business

Michael Dotsey
Federal Reserve Bank of
Philadelphia

Douglas Gale
New York University

Jordi Galí
Centre de Recerca en Economia
Internacional (CREI)

Marvin Goodfriend
Carnegie Mellon University

Charles A.E. Goodhart
London School of Economics

Michael B. Gordy
Federal Reserve Board

Luigi Guiso
European University Institute

Andrew G. Haldane
Bank of England

Takatoshi Ito
University of Tokyo

Philip Lane
Trinity College Dublin

Francesco Lippi
University of Sassari

Carmen M. Reinhart
University of Maryland

Rafael Repullo
Centro de Estudios Monetarios
y Financieros (CEMFI)

Eli M. Remolona
Bank for International
Settlements

Hélène Rey
London Business School

Andrew K. Rose
University of California,
Berkeley

Klaus Schmidt-Hebbel
Central Bank of Chile

Lars E.O. Svensson
Sveriges Riksbank

Jürgen von Hagen
University of Bonn

Tsutomu Watanabe
Hitotsubashi University