

Author's Accepted Manuscript

Preferences or private assessments on a
monetary policy committee?

Stephen Hansen, Michael McMahon, Carlos
Velasco Rivera



www.elsevier.com/locate/jme

PII: S0304-3932(14)00084-1
DOI: <http://dx.doi.org/10.1016/j.jmoneco.2014.06.004>
Reference: MONEC2706

To appear in: *Journal of Monetary Economics*

Received date: 9 November 2012
Revised date: 5 June 2014
Accepted date: 26 June 2014

Cite this article as: Stephen Hansen, Michael McMahon, Carlos Velasco Rivera, Preferences or private assessments on a monetary policy committee?, *Journal of Monetary Economics*, <http://dx.doi.org/10.1016/j.jmoneco.2014.06.004>

This is a PDF file of an unedited manuscript that has been accepted for publication. As a service to our customers we are providing this early version of the manuscript. The manuscript will undergo copyediting, typesetting, and review of the resulting galley proof before it is published in its final citable form. Please note that during the production process errors may be discovered which could affect the content, and all legal disclaimers that apply to the journal pertain.

1 Preferences or Private Assessments on a Monetary Policy 2 Committee?*

3 Stephen Hansen[†] Michael McMahon^{‡§} Carlos Velasco Rivera[¶]

4 July 2, 2014

5 Abstract

6 Using Bank of England voting data, we show empirically that members' votes are driven by heteroge-
7 neous individual assessments of the economy as well as their individual policy preferences. Estimates
8 indicate that internal committee members form more precise assessments than externals and are also
9 more hawkish. The estimates allow the first quantification of the gain due to information aggregation
10 on monetary policy committees. The marginal gain from additional committee members tapers quickly
11 after five members. There is no evidence of gains through externals' moderating internals' preferences.
12 A relatively small committee of highly informed internal members emerges as a desirable committee
13 structure.

14 **Keywords:** Committees; monetary policy; private information.

15 **JEL Codes:** E52, E58, D78
16

*We are very grateful to the editor Ricardo Reis and an anonymous referee for their insightful suggestions. We would also like to thank Tim Besley, Alan Blinder, Pablo Casas, Fabio Canova, Francesco Caselli, Antonio Ciccone, Greg Crawford, Thomas Cunningham, Wouter den Haan, Nathan Foley-Fisher, Francesco Giavazzi, Charles Goodhart, Matias Iaryczower, Kosuke Imai, Clare Leaver, Gilat Levy, Massimo Motta, Andrew Oswald, Morten Ravn, Karl Schlag, Kevin Sheedy, Jón Steinsson, Thijs van Rens, and members of Kosuke Imai's reading group for insightful comments on this and earlier versions of this work. We have also benefited from the suggestions of seminar participants at the Australia National University, the Bank of England, London School of Economics, Monash University, Queen Mary University, University College Dublin, Universitat Pompeu Fabra, University of Strathclyde, and University of Warwick.

[†]Universitat Pompeu Fabra and Barcelona GSE.

[‡]University of Warwick, CEPR, CAGE (Warwick), CEP (LSE), CfM (LSE), and CAMA (ANU).

[§]Michael McMahon is the corresponding author. Address: Department of Economics; University of Warwick; Coventry, CV4 7AL, United Kingdom. Email: m.mcmahon@warwick.ac.uk. Telephone: +44(0) 24 7652 3056.

[¶]Princeton University.

متن کامل مقاله

دریافت فوری ←

ISIArticles

مرجع مقالات تخصصی ایران

- ✓ امکان دانلود نسخه تمام متن مقالات انگلیسی
- ✓ امکان دانلود نسخه ترجمه شده مقالات
- ✓ پذیرش سفارش ترجمه تخصصی
- ✓ امکان جستجو در آرشیو جامعی از صدها موضوع و هزاران مقاله
- ✓ امکان دانلود رایگان ۲ صفحه اول هر مقاله
- ✓ امکان پرداخت اینترنتی با کلیه کارت های عضو شتاب
- ✓ دانلود فوری مقاله پس از پرداخت آنلاین
- ✓ پشتیبانی کامل خرید با بهره مندی از سیستم هوشمند رهگیری سفارشات