

Accepted Manuscript

The missing spillover of base expansion into monetary aggregates: Is there a puzzle?

Ivo J.M. Arnold , Beau Soederhuizen

PII: S0164-0704(17)30231-8
DOI: [10.1016/j.jmacro.2017.09.003](https://doi.org/10.1016/j.jmacro.2017.09.003)
Reference: JMACRO 2982



To appear in: *Journal of Macroeconomics*

Received date: 14 June 2017
Revised date: 20 September 2017
Accepted date: 29 September 2017

Please cite this article as: Ivo J.M. Arnold , Beau Soederhuizen , The missing spillover of base expansion into monetary aggregates: Is there a puzzle?, *Journal of Macroeconomics* (2017), doi: [10.1016/j.jmacro.2017.09.003](https://doi.org/10.1016/j.jmacro.2017.09.003)

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 proof before it is published in its final 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.

The missing spillover of base expansion into monetary aggregates:

Is there a puzzle?

vo J.M. Arnold^{1,2} and Beau Soederhuizen²

Revised draft, September 2017

¹Erasmus School of Economics, Erasmus University Rotterdam, P.O. Box 1738, 3000DR, Rotterdam, The Netherlands. email: arnold@eur.ee.nl.

²Nyenrode Business Universiteit, Breukelen, Staatweg 25, 3621BG, Breukelen, The Netherlands, email: b.soederhuizen@nyenrode.nl.

Abstract

The seeming impotence of monetary base expansion to influence money growth during the Global Financial Crisis and the European sovereign debt crisis, can be regarded as a puzzle. A possible explanation is that central banks have used unconventional monetary policies to pursue multiple objectives: to stabilize the financial system and to stimulate the economy. While achieving the latter objective may result in a positive spillover of base money into money growth, this does not necessarily hold for the former objective. This paper aims to disentangle these effects by estimating a state space model in which the monetary base is adjusted for distortions arising from the instability in financial markets. We find that stress in financial markets, measured by various indicators, has significantly affected the relationship between base growth and money growth in the EA, but not in the US.

Keywords: monetary policy, money supply, financial markets

JEL codes: E44, E51, E52, E58

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