

# CONTENTS

LIST OF CONTRIBUTORS *ix*

ABOUT THE EDITORS *xi*

## **I: AN OVERVIEW OF EUROPEAN MONETARY UNION AND CAPITAL MARKETS**

MONETARY UNION AND MARKET INTEGRATION:  
CAPITAL AND GOODS MARKET ISSUES PERTAINING TO  
THE LAUNCHING OF THE EURO  
*J. Jay Choi and Jeffrey M. Wrase* *3*

## **II: APPROACHING MONETARY UNION IN EUROPE: HISTORY AND FOUNDATIONS**

HISTORICAL OVERVIEW OF THE TRANSITION TO  
MONETARY UNION IN EUROPE  
*Kerk Phillips and Jeffrey M. Wrase* *13*

A RETROSPECTIVE STRUCTURAL BREAK ANALYSIS OF  
THE FRENCH GERMAN INTEREST RATE DIFFERENTIAL  
IN THE RUN-UP TO EMU  
*Jérôme Henry and Peter McAdam* *21*

VOLATILITY AND MISALIGNMENTS OF EMS AND OTHER  
CURRENCIES DURING 1974–1998  
*Michael G. Papaioannou* *51*

### **III: EUROPEAN MONETARY UNION AND CAPITAL MARKETS**

THE IMPACT OF THE EURO ON PRIMARY EQUITY MARKETS <i>E. K. Gatzonas</i>	99
--	----

COUNTRY AND INDUSTRY EFFECTS IN EUROLAND'S EQUITY MARKETS <i>Ivo J. M. Arnold</i>	137
---	-----

INTRA-DAY TRANSMISSION OF INTERNATIONAL STOCK PRICES <i>Cheol S. Eun and Jin-Gil Jeong</i>	157
--	-----

### **IV: MONETARY AND FISCAL POLICY ISSUES IN THE MONETARY UNION**

ORGANIZATION AND POLICY PROCEDURES OF THE EUROPEAN SYSTEM OF CENTRAL BANKS <i>Jeffrey M. Wrase</i>	179
--	-----

MONETARY AND FISCAL POLICY RULES IN THE EUROPEAN ECONOMIC AND MONETARY UNION: A SIMULATION ANALYSIS <i>Gottfried Haber, Reinhard Neck and Warwick J. McKibbin</i>	195
--	-----

IS THERE POTENTIAL FOR MONETARY UNION OUTSIDE EUROPE? <i>Vince Hooper</i>	219
---	-----

### **V: TRADE AND MARKET POWER**

MONETARY UNION EXPANSION: THE ROLE OF MARKET POWER IN TRADE <i>Mark M. Spiegel</i>	233
--	-----

THE EUROPEAN MONETARY UNION VS. USA,  
COOPERATION AND COMPETITION: AN EXAMINATION  
OF WELFARE BENEFITS

*Lall B. Ramrattan, Cathyann D. Tully and  
Michael Szenberg*

247

THE EURO EXCHANGE RATE AND CONSUMER PRICES

*Sinimaaria Ranki*

267