

# Post Keynesian Summer School

June 2008  
UMKC

**Topic:** Central Bank Operations: The Modern Money View

**Instructor:** Scott T. Fullwiler

## Basic Outline:

1. General principles of central bank operations—what every economist should know.
2. Additional points regarding central bank operations that are central to the modern money approach.

## Required Readings:

1. Scott T. Fullwiler. 2008. “Modern Central Bank Operations—The General Principles” (DRAFT). Forthcoming in B. Moore and L.-P. Rochon (eds), *Post-Keynesian Monetary Theory and Policy: Horizontalism and Structuralism Revisited*, Cheltenham: Edward Elgar Publishing.
2. Scott T. Fullwiler. 2006. “Setting Interest Rates in the Modern Money Era.” *Journal of Post Keynesian Economics*, vol. 28, no. 3 (Spring): 495-525.

## Additional Readings (most of these are cited in Fullwiler 2008):

1. Warren Mosler’s blog: [www.moslereconomics.com](http://www.moslereconomics.com)
2. L. Randall Wray. 1998. *Understanding Modern Money: The Key to Full Employment and Price Stability*. Northampton: Edward Elgar.
3. Basil Moore. 1988. *Horizontalists and Verticalists: The Macroeconomics of Credit Money*. Cambridge, UK: Cambridge University Press.
4. Marc Lavoie. 2005. “Monetary Base Endogeneity and the New Procedures of the Asset-Based Canadian and American Systems.” *Journal of Post Keynesian Economics*, vol. 27, no. 4 (Summer): 689-710.
5. Ulrich Bindseil. 2004. *Monetary Policy Implementation: Theory, Past, and Present*. New York, NY: Oxford University Press.
6. Ulrich Bindseil and Kjell G. Nyborg. 2007. “Monetary Policy Implementation: A European Perspective.” NHH Department of Finance & Management Science Discussion Paper No. 2007/10 (March).
7. Stephanie A. Bell. 2000. “Do Taxes and Bonds Finance Government Spending?” *Journal of Economic Issues*, vol. 34, no. 3 (September): 603-620.
8. Claudio R. Sardoni and L. Randall Wray. 2007. “Fixed and Flexible Exchange Rates and Currency Sovereignty.” Jerome Levy Economics Institute Working Paper No. 489 (January).