Instructor: Tao Zhu

Grading: Grade is determined by a term paper.

Introduction
Sargent, Dynamic Macroeconomic Theory.

Matching model of money
Kiyotaki and Wright, On money as a medium of exchange, JPE 97 (1989), 927-54.
Trejos and Wright, Search, bargaining, money and prices, JPE 103 (1995), 118-41.
Lagos and Wright A Unified Framework for Monetary Theory and Policy Analysis, JPE 113 (2005), 463-484.

Neutrality/nonneutrality of money
Christiano, Martin Eichenbaum, and Evans, Nominal Rigidities and the Dynamic Effects of a Shock to Monetary Policy, JPE 113 (2005), 1-45.
**Optimal monetary policy**


**Inside money, outside money, credit, and essentiality of money**


**Coordination of fiscal and monetary policy**


**Money and higher-return assets**

Ayiagari, Wallace and Wright, Coexistence of money and interest-bearing securities, *JME* 37 (1996), 397-419.


Zhu and Wallace, Pairwise trade and coexistence of money and higher return assets, *JET* 133 (2007), 524-535.
Denomination and commodity money

Bank run