

- bibitem** Backus, D.K., Kehoe, P.J., and F.E. Kydland (1994). "Dynamics of the Trade Balance and the Terms of Trade: The J-Curve?" *The American Economic Review*, 84 (March), 84-103.
- bibitem** Barro, R.J. and D. Gordon. (1983) "Rules, discretion and reputation in a model of monetary policy." *Journal of Monetary Economics*, 12, 101-22.
- bibitem** Cagan, P. (1956). "The monetary dynamics of hyperinflation." In Milton Friedman, ed., *Studies in the quantity theory of money*, Chicago: University of Chicago Press.
- bibitem** Chiang, A.C. (1984). *Fundamental methods of mathematical economics*, 3rd ed, McGraw-Hill Book Co.
- bibitem** Dixit, A.K. (1990). *Optimization in economic theory*, 2nd ed, Oxford University Press.
- bibitem** Farmer, R.E.A. (1993). *The macroeconomics of self-fulfilling prophecies*, Cambridge, Massachusetts.: The MIT Press.
- bibitem** Friedman, M. (1957). *A theory of the Consumption Function*. Princeton, NJ: Princeton University Press.
- bibitem** Lucas, R.E.Jr, and L. Rapping (1969). "Real wages, employment, and inflation." *Journal of Political Economy*, Vol.77, No.5, 721-54.
- bibitem** Lucas, R.E. Jr (1976) "Econometric policy evaluation: a critique", in K.Brunner and A.H. Meltzer (eds) *The Phillips Curve and Labour Markets*, Carnegie-Rochester Conference Series on Public Policy, 13, 9-46. Supplement to the *Journal of Monetary Economics*.
- bibitem** Lucas, R.E. Jr (1978). "Asset prices in an exchange economy" *Econometrica*, 46, 1426-45.
- bibitem** McCallum, B.T. (1989(a)). *Monetary Economics: Theory and Policy*. New York: Macmillan Publishing Company.
- bibitem** McCallum, B.T. (1989(b)). *Real Business Cycles Models* in R.J. Barro (ed), *Modern Business Cycle Theory*. Basil Blackwell, Oxford.
- bibitem** McCallum, B.T., and E. Nelson (1997). "An Optimizing IS-LM Specification for Monetary Policy and Business Cycle Analysis." NBER Working Paper, No. 5875, January.
- bibitem** Minford, A.P.L. (1992). *Rational Expectations Macroeconomics: An Introductory Handbook*; 2nd ed, Basil Blackwell, Oxford.
- bibitem** Obstfeld, M, and K. Rogoff. (1995). *Foundations of International Macroeconomics*. Cambridge, Massachusetts.: The MIT Press.
- bibitem** Rogoff, K. (1985). "The optimal degree of commitment to an intermediate monetary target." *Quarterly Journal of Economics*, 100 (November): 1169-89.
- bibitem** Samuelson, P. (1944). "Interaction between the multiplier analysis and the principle of acceleration." *Readings in Business Cycle theory*, American Economic Association, New York: McGraw-Hill.
- bibitem** Sargent, T.J. (1987(a)) *Macroeconomic theory*, 2nd ed. Orlando, FL: Academic Press.
- bibitem** Sargent, T.J. (1987(b)) *Dynamic Macroeconomic Theory*, New York: Academic Press.
- bibitem** Svensson, L.E.O. (1997). "Optimal Inflation Targets, "Conservative" Central Banks, and Linear Inflation Contracts." *The American Economic Review*, 87 (March): 98-114.
- bibitem** Taylor, J.B. (1977) "Conditions for unique solutions to macroeconomic models with rational expectations." *Econometrica*, 45, 1377-85.
- bibitem** Taylor, J.B. (1993) "Discretion versus Policy Rules in Practice." *Carnegie-Rochester Conference Series on Public Policy*, 39, 195-214.