



Euro Symposium

Mundell Changed His Mind

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ABSTRACT

My own view has always been that stable exchange rates among the highly integrated European economies were devoutly to be wished. The only question was whether a common monetary standard or a common currency was the best way to achieve it. But after the Maastricht Treaty imposed credible fiscal constraints on the participating countries, I became convinced that a common currency was feasible and the best way to go.

One of the paradoxical aspects about the debate was that outstanding euro skeptics, such as Martin Feldstein and Barry Eichengreen, were essentially using the model in Robert Mundell (1961). They worried about asymmetric shocks: European countries suffered the business cycle out of phase and so needed exchange rate flexibility. However, Mundell himself became the leading enthusiast for the euro!

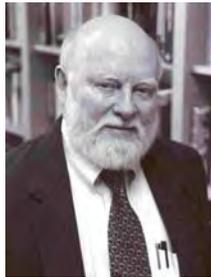
In McKinnon (2004) I showed that Mundell essentially changed his mind about 1970 in two articles published in 1973 in an obscure conference volume that virtually nobody read (Mundell 1973a, b). Henceforth, Mundell emphasized the importance of absolutely fixed exchange rates, which only a common currency could give, in order to secure full capital market integration and risk sharing.

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References

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About the Author



Ronald I. McKinnon is William D. Eberle Professor of International Economics at Stanford University. He is best known for an important article on the theory of optimum currency areas (1963); *Money and Capital in Economic Development* (1973), which highlighted how policies of “financial repression” retarded economic growth; *The Order of Economic Liberalization* (2nd edition 1993), which outlined how to traverse the perilous path from central planning to the market economy; and his work on regional and worldwide monetary arrangements.

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Definition of change his mind in the Idioms Dictionary. change his mind phrase. What does change his mind expression mean? Definitions by the largest Idiom Dictionary.Â change someone's mind. to cause a person to think differently (about someone or something). Tom thought Mary was unkind, but an evening out with her changed his mind. I can change my mind if you convince me that you are right. See also: change, mind. change your mind meaning, definition, what is change your mind: to change your decision, plan, or opinio...: Learn more.Â Pete lifted his knight but changed his mind and put it back on the board.â€¢ But why Zeus changed his mind and whether Prometheus revealed the secret when he was freed, we do not know.â€¢ Schlesinger first thought him wrong for Ratso, but changed his mind when they met in New York.change your mindchange your mindto change your decision, plan, or opinion about something I was afraid that Liz would change her mind and take me back home.change your mind about If you change your mind about the colour scheme, itâ€™s easy to just paint. Changing our minds feels so natural to us as humans, itâ€™s hard to envision life without it. In most instances the changes are harmless and typically result from unforeseeable circumstances, as well as the alterations that other people make that directly affect us. But what would it mean for God to change his mind? Does he? Could he? Or are all his plans and purposes immutable?Â The God who declared his intention to destroy Nineveh for its sin â€œchangedâ€ his mind upon its repentance (more on this below). Furthermore, this affirmation of immutability must not be interpreted in such a way that â€œthe Word became fleshâ€ is threatened (John 1:14). We must acknowledge (our salvation depends upon it!) that he who is in his eternal being very God became, in space-time history, very man. Mundell Changed His Mind. January 2010. Econ journal watch 7(1):76-77.Â 2004. Optimum Currency Areas and Key Currencies: Mundell I versus Mundell II. Journal of Common Market Studies 42(4): 689â€“715. It Can't Happen, It's a Bad Idea, It Won't Last: U.S. Economists on the EMU and the Euro, 1989-2002. Read Hugh Mundell's bio and find out more about Hugh Mundell's songs, albums, and chart history. Get recommendations for other artists you'll love.Â Mundell continued recording with Pablo. The albums Time & Place and Blackman's Foundation followed shortly after, and then a few tracks for Prince Jammy were gathered together along with some of Lacksley Castell 's, put on an album and called Jah Fire . Beginning in 1979, Mundell took over the production of his own recordings. He released his Mundell album on Greensleeves in 1982. He also produced the debut album, Speak the Truth, by "Little" Junior Reid , on Pablo's label, Rockers. In 1983 he became involved in an argument and was shot in the neck. Shortly afterwards, his posthumous album Arise was released.