Summary of articles

Les sources des fluctuations des taux de change en Europe et leurs implications pour l'union monétaire, by Alain DeSerres and René Lalonde

The objective of this paper is to provide an empirical evaluation of the degree of shock asymmetry between eight European countries potentially forming the core of a monetary union. Given that the relevant measure is the degree of real shock asymmetry, our approach is to use the observed movement in real exchange rates as an indicator of the degree of shock asymmetry and to decompose it into real (permanent) and nominal (temporary) components, using information from the nominal exchange rate in a bivariate system. The decomposition method used is similar to that proposed by Blanchard and Quah [1989] and has been adapted to the case of exchange rates. In general, the results indicate that even in the short run, real shocks represent the dominant source of fluctuations in real exchange rates. The results also suggest that Germany, the Netherlands and Belgium together could form the core of a monetary union. At the other end, Spain and the United Kingdom could potentially face serious adjustment costs. The other countries included in the study (France, Italy and Switzerland) represent intermediate cases.

Journal of Economic Literature classification numbers : C32, F33, F41.

Degré d'asymétrie du SME et politiques monétaires en Europe, by Patrick Artus

We study the effect of the economic situation of Germany after the reunification on European interest rates and on the exchange rates vis-à-vis the dollar. We try to describe the most likely evolution of parities, of the interest rate spread between the franc and the Dmark and of external debts. We analyse the possibility that France pursues an independent monetary policy without leaving the EMS. This possibility depends mostly on the nature of exchange rate risk between the franc, the Dmark and the dollar.

Journal of Economic Literature classification numbers : F31, F32, F52.

Une réévaluation sur données récentes des performances prédictives des modèles monétaires de taux de change relativement à la marche aléatoire, by Hélène Raymond

Meese and Rogoff [1983] paper demonstrated that monetary models are unable to forecast exchange rates better than a random walk. Ten years after this study, exchange rates unpredictability remains unchallenged except by some isolated examples. A complete revaluation of Meese and Rogoff conclusions enables us to clarify this point, with the help of recent data. Our results show that the random walk is the best forecasting model at short term. Some models, for some dollar exchange rates, perform better at long term. But no model brings systematic improvement upon the random walk.

Journal of Economic Literature classification numbers: F31, C53.

Différences d'information, solutions concurrentielles et stratégies révélatrices, by Françoise Forges

We survey some recent results on implementation of competitive solutions in differential information economies. Extending to this context Arrow and Debreu's definitions raises many conceptual issues. For instance, some properties of rational expectations equilibria may appear as paradoxical. In order to provide this approach with foundations, it has become usual to show that competitive solutions are implementable, namely coincide with the strategic equilibria of an appropriate scenario (i.e. a game). This typically leads to models that involve a large number of agents' replicas, where every individual agent becomes negligible. We specially analyze the effects of such constructions on the incentive compatibility constraints that are related with agents' information transmission.

Journal of Economic Literature classification numbers: D82, C72.