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**DEVELOPMENT OF FINANCIAL MARKETS AND INSTITUTIONS**

**READING LIST 4: ORIGINS OF CENTRAL BANKING**

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Winter 2021/2022

Required readings

V. Smith, *The Rationale of Central Banking and the Free Banking Alternative,* chap. 1, Liberty Fund edition ([available online](https://oll.libertyfund.org/title/smith-the-rationale-of-central-banking-and-the-free-banking-alternative)), [1936] 1990.

L. White, *The Theory of Monetary Institutions*, chap. 4, 1999.

G. Gorton, Clearinghouses and the Origin of Central Banking in the United States, *Journal of Economic History* 45, 2, pp. 277-283, 1985.

Ch. Goodhart, Why do Banks Need a Central Bank?, *Oxford Economic Papers* 39, 1, pp. 75-89, 1987.

Further suggestions

M. N. Rothbard, Origins of the Federal Reserve, *Quarterly Journal of Austrian Economics* 2, 3, pp. 3-51, 1999.

L. White, *The Theory of Monetary Institutions*, chaps. 5-6, 1999.

W. Bagehot, *Lombard Street: A Description of the Money Market* ([available online](https://oll.libertyfund.org/title/bagehot-lombard-street-a-description-of-the-money-market)) London, 1873.

G. Selgin, *The Theory of Free Banking: Money Supply under Competitive Note Issue*, chap. 7, Lanham, MD, 1988.

U. Bindseil, *Central Banking Before 1800: A Rehabilitation*, Oxford, 2019.