

Abbreviations

AUD	<i>Allocation Unique Dégressive</i>
BDI	Confederation of German Industry
CEECs	Central and East European countries
CFSP	Common Foreign and Security Policy
CMO	collateralized mortgage obligation
CMU	<i>Couverture Maladie Universelle</i>
DGB	Deutscher Gewerkschaftsbund
DSS	dynamic stochastic simulation
ECB	European Central Bank
ECOFIN	Economic and Financial Affairs Council
EDP	excessive deficit procedure
EMP	exchange rate market pressure
EMS	European Monetary System
EMU	Economic and Monetary Union
ERM	Exchange Rate Mechanism
EU	European Union
FSAP	Financial Services Action Plan
GDP	gross domestic product
IPE	international political economy
IR	international relations
MPC	Monetary Policy Committee
MTO	Medium-Term Objective
OCA	optimal currency area
ORF	other relevant factors
PPP	purchasing power parity
RIR	real interest rate
RMI	<i>Revenu Minimum d'Insertion</i>
SEM	Single European Market
SGP	Stability and Growth Pact
TEU	Treaty on European Union
UIP	uncovered interest parity
ULC	unit labor costs
VARs	vector autoregression models