Svitlana S. Shumska[1], **Anastasiia K. Pinchuk**[2]

CRITERIA OF OPTIMUM CURRENCY AREA: FROM CLASSICAL TO CONTEMPORARY APPROACH

This paper provides a critical overview of the optimum currency area (OCA) criteria through the detailed description of some crucial OCA criteria development in the contest of Ukrainian further currency integration. The evolution of the perspective covers summarizing theoretical and empirical findings of OCA criteria including both classical and alternative approaches. The given position results in justification of controversial views inside the current OCA theory, some conflicts among theoretical and empirical finding are revealed. It is also emphasized that despite some crucial OCA criteria, there is a critical element for successful currency area implementation that should be mentioned – it is the creation of appropriate circumstances, such as: similarity of monetary transmission mechanisms, developed financial market, fiscal habits and political tolerance.
Keywords: *currency integration; optimum currency area; exchange rate regime.*
JEL classification: E42, F14, F15, F31.

Світлана С. Шумська, Анастасія К. Пінчук

КРИТЕРІЇ ОПТИМАЛЬНИХ ВАЛЮТНИХ ЗОН: ВІД КЛАСИЧНОГО ДО СУЧАСНОГО ПІДХОДУ

У статті детально розглянуто окремі критерії оптимальних валютних зон (ОВЗ), виконання яких, як свідчить практика, є важливими у контексті подальшої валютної інтеграції України. Еволюцію розвитку критеріїв показано через узагальнення теоретичних та емпіричних здобутків теорії ОВЗ класичного та альтернативного періодів. Критичний аналіз критеріального підходу теорії ОВЗ засвідчив неоднозначність трактування та наявність різних поглядів у рамках окремих критеріїв, суперечностей між теоретичними та емпіричними висновками. Показано, що окрім виконання певного набору критеріїв інтеграції для кожної країни, важливим елементом успішного функціонування валютної зони є також створення середовища для монетарних трансмісійних механізмів, фіскальних традицій, розвинутих фінансових ринків, політичної узгодженості, що буде забезпечувати умови для досягнення поставлених цілей.
Ключові слова: *валютна інтеграція; оптимальна валютна зона; валютний режим.*
Рис. 1. Табл. 1. Літ. 35.

Светлана С. Шумская, Анастасия К. Пинчук

КРИТЕРИИ ОПТИМАЛЬНЫХ ВАЛЮТНЫХ ЗОН: ОТ КЛАССИЧЕСКОГО К СОВРЕМЕННОМУ ПОДХОДУ

В статье представлен детальный обзор отдельных критериев оптимальных валютных зон (ОВЗ), наиболее важных в рамках дальнейшей валютной интеграции Украины. Эволюция развития критериев показана посредством обобщения существующих теоретических и эмпирических выводов в области теории ОВЗ классического и альтернативного периодов. Критический анализ критериального подхода теории ОВЗ свидетельствует о неоднозначности трактовки и существовании различных научных взглядов на отдельные критерии, а также подтверждает наличие конфликтов между теоретическими и эмпирическими выводами. Показано, что кроме выполнения определенного набора критериев интеграции для каждой страны, важным элементом успешного функционирования валютной зоны является также создание необходимой среды для действия монетарных трансмиссионных механизмов, фискальных традиций, наличия развитых финансовых рынков, политической согласованности, что будет обеспечивать условия для достижения поставленных целей.

[1] Ukrainian National Academy of Sciences, Institute For Economics And Forecasting, Kyiv, Ukraine.
[2] National University "Kyiv-Mohyla Academy", Kyiv, Ukraine.

Ключевые слова: *валютная интеграция; оптимальная валютная зона; валютный режим.*

Introduction. The modern society feels the crisis of globalization through the high speed of globalization processes and the absence of effective criteria for successful integration. Global trends demand the integration of markets and economies, which often leads to destructive impacts, especially for emerging economic systems. Financial crisis of 2008 – till now is the best recent example of how fast economic consequences could widespread. Similarly, negative effects of improper integration would influence many economies due to fast global tendencies in today's economic world. New trends in economic surroundings encourage advanced theoretical and empirical researches within the optimum currency area theory during the last 20 years. A plenty of theoretical and analytical frameworks were built around the OCA criteria: A. Alesina, R. Barro and S. Tenreyro (2002), T. Bayoumi and B. Eichengreen (1997), T. Broz (2005), S.M. Drobyshevskiy and D.I. Polevoy (2004), J.M. Fleming (1971), J. Frankel and A. Rose (1998), Y. Ichiyama (1975), J. Ingram (1969), P.B. Kenen, R.A. Mundell and A.K. Swobada (1969), I. Maes (1992), R. McKinnon (1963), R.A. Mundell (1961), R. Ogrodnick (1990), R. Vaubel (1976); among Ukrainian scientists: O.M. Gonchar (2012), T.G. Savchenko, M.A. Rebryk and D.V. Kazarinov (2012). Many controversial conclusions were made in the result of empirical investigations. That is why a need for a consolidated view on the OCA theory and its criteria raised, which would summarize all findings in this field of economic interest, thus defining the main **research goal** of the current paper. The stated goal will be realized through the following research objectives, which also refer to the main structural parts of the current research paper:

- Critical overview of main theoretical and empirical findings within the theory of optimum currency areas (OCAs).
- Defining the main OCA criteria and conditions.
- Critical analysis of development and different approaches to major OCA criteria in relation to Ukrainian financial integration.
- Suggesting new conclusions in the OCA theory regarding optimum criteria as conditions for more effective integration.

A new complex view on effective OCA criteria and its evaluation will provide a possibility to develop effective recommendations for successful integration. Today such recommendations are definitely in demand for many governments trying to protect their economies from negative consequents of integration. Even more critical such recommendations are for Ukraine in the times of uncertain international situation.

1. Theoretical and empirical overview of the OCA theory. In the times of globalization a new burst of interest has been raised to the theoretical background of integration processes and their empirical grounding. Special attention is paid to currency integration as the most complicated type of integration, which proposes successful economical, trade and financial integration completed before its implementation. A lot of works are dedicated to new approaches and interpretations of the theory of optimum currency area (OCA), founded 50 years ago by R. Mundell (1961). This theory attempts to identify the principles of effective integration, and answer the question: what criteria should be followed to make integration successful for all its potential

members? The development of the optimum currency area theory could be divided into 3 main stages: classical period, alternative theory, and empirical stage. Economists of the classical period of the OCA theory developed first the criteria of common currency area. Participation in currency area means refuse of such monetary stabilization instrument as an exchange rate, so following some criteria is needed to avoid the negative effects of such integration. Scientists of that first period assumed that making such classical criteria would make integration successful for all its members. The role of classical criteria is to balance macroeconomic stability in case of fixed exchange rate policy or implementation of common currency. While each classical criteria of optimum currency area had its disadvantages, revealing the defects of each criterion created the necessity for investigating new criteria, which lead to developing the criteria approach to the optimum currency area theory, which is also called the classical approach of the OCA theory. Later, some critics of the classical criteria appears, main arguments of which are: proposing one particular criterion as enough condition for effective integration; and using only current economic situation assessment for criteria evaluation, missing dynamic and tendencies analysis. So, classical approach couldn't explain all possible negative effects, which appear as a consequent of financial integration of regions in case of economical shocks. That is why new scientific interest to the OCA theory burst in the 1990s initiating the second stage in its evolution.

A new alternative optimum currency area theory can also be divided into several stages. Researchers of the first wave tried to find new criteria of OCA like business cycle synchronization. Principally, the new approach of alternative period consists in the analysis of macroeconomic indicators dynamics of potential participating countries, while the classical criteria were based on static assessment of the current situation in the region. Economists of the second wave of alternative OCA theory focused on new interpretations of classical criteria, such as endogenity of OCA criteria, which means some criteria could be reached afterwards as a consequence of integration. And the third stage was dedicated to generalizing the key principles of both classical and alternative periods, and formulating threats and benefits of participating in optimum currency area, assuming that integration could be defined as effective in case its benefits overcomes threats. Concluding alternative period of the OCA theory, the main inputs are: discovering new criteria for endogenity; attempts to evaluate the aggregate effect of integration through comparing benefits and losses; and applying new approach to the analysis of dynamic of macroeconomic indicators in a region.

2. Main OCA criteria and conditions. The overview of main OCA criteria and conditions, which were developed through classical and alternative periods of the OCA theory, is presented Table 1.

In spite of plenty of theoretical hypotheses on the conditions for effective economic and financial integration, many theoretical assumptions are in conflict with actual economic evidences. A number of economic threats and crisis among integrated economies shows the necessity for further investigations and upgrades of the OCA theory. Considering big amount of existing theoretical criteria of OCA, some of which are controversial, the most powerful methodology for concluding theoretical finding nowadays is empirical research. Empirical investigations provide evidential proves of theoretical assumptions, and make practical conclusions on particular eco-

Table 1. **Definitions of the main classical and alternative OCA criteria and conditions,** *authors' compilations*

OCA criteria and conditions	Definition and meaning	Scientists and year of publication
Prices and wages flexibility	Price and wage flexibility stays one of the most powerful stabilization instruments in terms of fixed exchange rate or common currency inside the OCA.	M. Friedman (1953), M. Kawai (1987), L. Jonung and F. Sjoholm (1999).
Factors mobility	Labor, capital and technology should be absolute mobile between regions, which form OCA, and absolute immobile outside.	R. Mundell (1961), J.M. Fleming (1971), W. Corden (1972), R. Ogrodnik (1990), L. Jonung and F. Sjoholm (1999).
Economy diversification	High diversification of internal and/or external production makes OCA more effective.	R. Mundell (1961), R. McKinnon (1963), P.B. Kennen et al. (1969), J. Frankel and A. Rose (1998), L. Jonung and F. Sjoholm (1999).
Economy openness	Defined through the proportion of internationally traded goods and goods for internal consumption, intensivity of international trade.	R. McKinnon (1963), T. Bayoumi and B. Eichengreen (1997), L. Jonung and F. Sjoholm (1999), G. Stanoeva (2001), A. Alesina, R. Barro and S. Tenreyro (2002).
Size of economy	Comparison of real GDP amount in common currency in fixed prices.	T. Bayoumi and B. Eichengreen (1997), G. Stanoeva (2001), S. Drobyshevskiy and D. Polevoy (2004).
Economical integration	Most popular definition includes: similarity of production structure, correlation of GDP growth levels. However, there a lot of other interpretations: fiscal, monetary, financial integration, similarity of inflation tendencies etc.	R. Mundell (1961), J. Ingram (1969), J.M. Fleming (1971), R. Ogrodnik (1990), G. Stanoeva (2001), A. Alesina, R. Barro ans S. Tenreyro (2002), H. Fukuda (2002), S. Drobyshevskiy and D. Polevoy (2004), O. Gonchar (2012).
Financial markets development	Similarity in the development of stock markets, banking systems, levels of interest rates, size of credit consumption, volume of government influence makes OCA more effective.	J. Ingram (1969), J.M. Fleming (1971), R. Ogrodnik (1990), G. Stanoeva (2001), S. Drobyshevskiy and D. Polevoy (2004).
Similarity of inflation rates	Common monetary policies will be implemented naturally in the countries with similar speed of inflation, and according to contemporary interpretation: with similar inflation goals instead of indices (rates).	J.M. Fleming (1971), J. Gandolfo (1992), S. Drobyshevskiy and D. Polevoy (2004).
Fiscal integration	Similarity of fiscal shocks and fiscal policies (applying similar fiscal habits for stabilization and budgeting).	P.B. Kennen et al. (1969), S. Dibooglu and J. Horvath (1997), H. Yuen and P. Ling (2001), H. Fukuda (2002).
Political integration	Common political views will lead to consolidation of monetary policies in any case of integration through other economical indices.	Y. Ichiyama (1975), M. Mussa (1997), S. Edwards (1996), S. Collins (1996).
Production shocks similarity	Correlation, volatility, similarity, reasons and nature of production shocks. Common monetary policy will be more effective in case the reasons for shocks will be the same for such countries.	R. Ogrodnik (1990), T. Bayoumi and B. Eichengreen (1997), S. Dibooglu and J. Horvath (1997), G. Stanoeva (2001), H. Yuen and P. Ling (2001), H. Fukuda (2002), A. Alesina, R. Barro and S. Tenreyro (2002), S. Drobyshevskiy and D. Polevoy (2004).
Monetary shocks similarity	Nominal shocks as price level correlation, change of money supply. Common monetary policy will be more effective in case the reasons of shocks will be the same for such countries.	L. Dibooglu and J. Horvath (1997), G. Stanoeva (2001), H. Yuen and P. Ling (2001), A. Alesina, R. Barro and S. Tenreyro (2002), S. Drobyshevskiy and D. Polevoy (2004).
Business cycles synchronisation	Comparison of standard deviation of GDP and GDP discrepancies between integrating regions.	L. Jonung and F. Sjoholm (1999), O. Gonchar (2012).
Currency rate volatility	Indicates how often exchange rate is used as a stabilization instrument for recovering economy after internal or external shocks, the index of OCA.	R. Vaubel (1976), J. Von Hagen and M. Neuman (1994), T. Bayoumi and B. Eichengreen (1996), G. Stanoeva (2001), S. Drobyshevskiy and D. Polevoy (2004).
"Proxi"-criteria	Shows the level of correlation between some particular macroeconomic indicators of integrating regions, and is usually represented through: currency rate volatility, correlation between different macroeconomic indicators.	R. Vaubel (1976), J. Von Hagen and M. Neuman (1994), T. Bayoumi and B. Eichengreen (1996), S. Dibooglu and J. Horvath (1997), G. Stanoeva (2001), H. Yuen and P. Ling (2001), H. Fukuda (2002), S. Drobyshevskiy and D. Polevoy (2004).
Endogenity of OCA criteria	Some criteria could be reached after OCA is formed: economy openness, economy diversification, financial and trade integration, correlation of shocks and synchronization of business cycles.	J. Gandolfo (1992), J. Frankel and A. Rose (1997), L. Jonung and F. Sjoholm (1999), O. Gonchar (2012).

nomic circumstances. Also, contemporary empirical researches have massive statistical data on different macroeconomic and financial indicators of integrated economies as well as potential members of integrations, which provides strong confidence in the results of such investigation. Obviously, empirical evidences add much to the optimum currency areas theory.

Summarizing the evolution of OCA theory and its criteria, it should be mentioned that scientists of the classical stage suggested some particular criteria, which defined the measures of OCA; alternative researchers reviewed these classical criteria, searched for new ones, applying different approaches and trying to update the theoretical base in accordance with current global economic trends; empirical investigators tried to provide practical evidences major postulates of both periods of the OCA theory. However, there is no definite answer for a particular country whether it will benefit from integration or not. Too many views are controversial, and none covers all aspects of integration to forecast its general potential effect.

3. Major OCA criteria development. In order to show these theoretical and empirical conflicts among the OCA criteria, development of some criteria will be described in details. For such analysis, the most significant criteria for Ukrainian economy are chosen, which could be useful in further investigations of potential directions of Ukrainian currency integration. So, to make new conclusions within the OCA theory regarding optimum criteria as a condition for effective integration, development stages and empirical findings for different economical circumstances will be considered by the following OCA criteria:

- diversification of economy;
- openness of economy;
- integration of financial markets;
- similarity of inflation trends;
- price and wage flexibility;
- exchange rate volatility.

The list of the mentioned criteria comes from the assumption that successful currency integration presupposes economical, trade and financial integration completed to reflect different aspects of integration in its wide meaning.

Diversification of economy is mentioned in a plenty of economic papers, and is interpreted in a variety of ways. The founder of the OCA theory R. Mundell (1961) mentioned the similarity of production structure as a factor that reduces the costs of currency integration. Further, R. McKinnon (1963) and P. Kennen (1969) separated this criterion into external and internal production diversifications, and what is interesting, they came to the opposite conclusions: more diversified external economy is better for effective integration by R. McKinnon, and less internal one makes the same by P. Kennen. The reason for this conflict lies in the opposite assumptions about the world stability: while R. McKinnon contributed to gain from external stability, P. Kennen stayed for national protection from the world imbalances. This is a vivid example of how important the assumptions are while choosing and interpreting criteria. Another way of representing economy diversification was applied by many empirical researchers through using specialization criterion as an independent variable in their regression models. Later, Russian economist R. Ogrodnik (1990) highlighted one more aspect of economy diversification – he emphasized production

shocks, especially their reasons, as the main factor that should be similar between integrating regions. His idea was developed by H. Fukuda (2002), who discovered the correlation of such shocks; A. Alesina, R. Barro and S. Tenreyro (2002) empirically proved the importance of production shocks volatility. Actually, most empirical models have evidenced the significance of production shocks similarity for effective integration. However, it is important to mention here that the way of representing this criterion usually differs, for example: standard deviation (SD) of difference of logarithms of real GDP in (Bayomi and Eichengreen, 1997); difference of logarithms of GDP dynamics by (Stanoeva, 2001); difference of SD of logarithms of industrial production growth by (Drogobyshevskiy and Polevoy, 2004). Moreover, proving the multivariants of interpretation of economy diversification in terms of OCA criteria, J. Frankel and A. Rose (1998) also mentioned that it is absolutely unnecessary for integrating economies to be highly diversified in any way of possible explanations. As they stated the diversification of economy is an endogenous criteria, which means it could be reached afterwards as an integration outcome effect. Some other economists proposed the synchronization of business cycles instead of economy diversification, although it also could be considered as endogenous.

Another very controversial OCA criterion is the *economy openness*, which was first proposed by R. McKinnon in 1963. R, McKinnon presented economic openness as the level of external trade diversification, which also could be interpreted as a kind of economy diversification criterion, so it could be considered as endogenous by J. Frankel and A. Rose (1998). However, another kind of economy openness was introduced in the early theory of R. Mundell (1961), who stayed for labor mobility as the main OCA criteria, and further R. Mundell's idea was developed in (Corden, 1972; Fleming, 1971; R. Ogrodnik, 1990), who proposed capital and technology mobility for OCA criteria. This factor of mobility also could be interpreted as the level of economy openness. Meanwhile, it is important to mention that capital mobility by R. Ogrodnik (1990) also could be easily considered as another OCA criteria – integration of financial markets, proposed by J. Ingram (1969), and listed among endogenous criteria by J. Frankel and A. Rose (1998). Another scientist (Stanoeva, 2001) proved the significance of financial market integration in her empirical research of OCA criteria for European countries. An interesting fact is that in the regression model of OCA criteria built by Russian economists S. Drobyshevskiy and D. Polevoy (2004) for post-soviet countries the coefficient related to variable of financial market integration appeared as insignificant. The main reason for such controversial result is undeveloped financial markets of post-soviet countries included in observation. However, this example confirms that the choice of OCA criteria should consider individual characteristics of integrating regions.

J. Fleming in 1971 presented the *similarity of inflation tendencies* as a type of criterion of currency integration. Making this criterion should result in easier and more natural implementation of common monetary policy in the countries with similar inflation rates. However, the development of this approach also took place, and later G. Gandolfo (1992) emphasized that the similarity of inflation goals rather than tendencies and changes are much more crucial for effective integration. Such approach significantly increases the number of potential participants, reflecting the current needs of the global economic society. Also, the idea of OCA criterion as similar infla-

tion goals fits well with the endogenity of inflation trends as proposed by J. Frankel and A. Rose in 1998. Another view on inflation rates in terms of OCA criteria were introduced by S. Drobyshevskiy and D. Polevoy (2004) in their empirical research, where inflation volatility appeared as an insignificant variable in the cross-section model for the 13 post-soviet countries, observed in the period of 1990–2003.

Exchange rate volatility is the most popular OCA criterion, introduced by R. Vaubel in 1976 and then significantly developed at the alternative stage of the OCA theory development. It was empirically proved by J. Von Hagen and M. Neuman in 1994, and later first called as "proxy"-criterion by H. Fukuda in 2002. This criterion indicates how often exchange rate is used as a stabilization instrument for recovering economy after internal or external shocks, and is often used in econometric models as dependent variable representing the OCA index. Particularly, this index was used in (Bayomi and Eichengreen, 1996; Stanoeva, 2002; Drogobyshevskiy and Polevoy, 2004). Also, different methods for exchange rate volatility calculation were used in mentioned researches: standard deviation (SD) of nominal exchange rate (ER) by T. Bayomi and B. Eichengreen (1996); logarithm of the nominal ER sped in the Stanoeva's model (2002); and SD of ER growth logarithm (Drogobyshevskiy and Polevoy, 2004) were used. Summarizing the approaches to exchange rate volatility, it objectively could be called the OCA index, and the way of its evaluation should be adjusted in accordance with the specifics of a particular country, for which investigation is made.

Few classical authors applied such criterion as *price and wage flexibility*. They are: M. Friedman in 1953 and M. Kawai in 1987. It wasn't used in any empirical researches, mostly because of difficulties in evaluation of such categories. However, this criterion obviously is quite crucial for successful integration, since price and wage flexibility stays one of the most powerful stabilization instruments for fixed exchange rate. That is why it surely should be added in further investigations of integration processes.

It is important to emphasize that some elements of successful currency integration are quite difficult to measure as well as to suggest some countable variables for their evaluation or to include them in an empirical model. That is why we propose to group such elements as: 1) consolidation of fiscal habits; 2) similar monetary transmission mechanism; 3) financial markets development – into special circumstances, which should be considered as necessary but not enough conditions for successful currency integration. *High level of fiscal system integration* is the most important condition of OCA, which was first described by P. Kennen et al. in 1969, and further supported by H. Fukuda in 2002. The basic disadvantage of this condition is high likelihood to lose economic independence by integrated countries as a consequence of applying both common fiscal and monetary policies for a fixed exchange rate. Considering the mentioned threat, we propose to interpret the condition of fiscal integration to similarity of fiscal habits among integrating regions, which consist of approaches to establishment and spending national budget, traditional fiscal stabilization instruments.

Applying such an approach to additional OCA conditions in further investigations means avoiding the attempts to interpret fiscal consolidation or monetary transmission mechanism through some variables, and making assumption these con-

ditions are already done instead. Besides, under these special circumstances such crucial condition of effective currency integration as political loyalty between integrating regions should also be included, which means the absence of political conflicts and readiness to find political compromises. The implementation of the additional approach is a necessary but not enough condition within the OCA theory that provides more practical and realistic view on the theory, and excludes the most controversial assumptions during econometric modelling.

4. Contemporary approach to successful OCA. After the basic controversial views on the major OCA criteria were shown and additional conditions were defined, the general logic of successful OCA is to be presented. The summary of the main ideas mentioned above is illustrated in Figure 1.

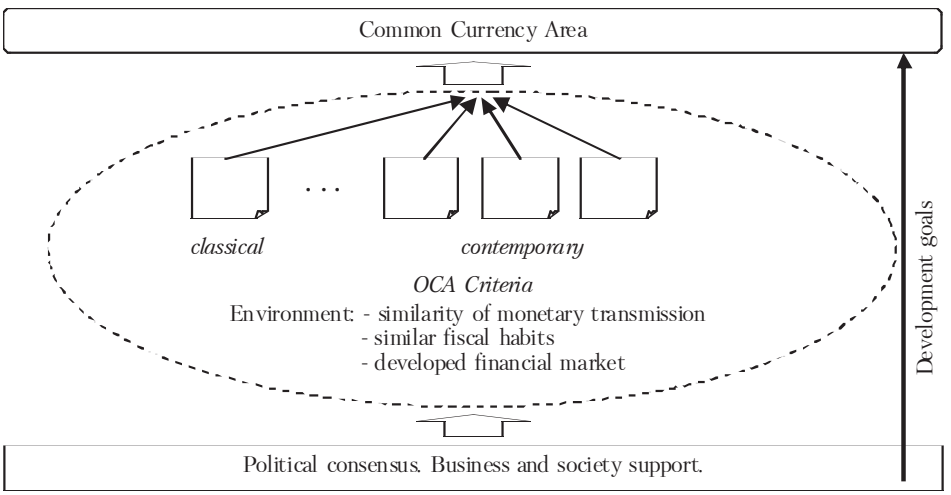

Figure 1. **Main components of successful currency area creation,** *developed by authors*

Figure 1 illustrates the complex approach to common currency area creation and making it effective for all members and successful in the long term. This modern approach goes further than combining different OCA criteria, and proposes a wider complex view including surrounding requirements, long-run economic objectives of potential members and character of relationship.

First of all, the idea of OCA creation obviously should be based on political consensus among potential members of integration, as far as a plenty of common criteria and similar conditions couldn't cover the consequences of political conflicts. Then, integration intentions should be announced carefully inside the integrating region to obtain business and society support. Otherwise, non-economical barriers could appear to OCA creation, such as human protests or business complaints, which would lead to additional spending on increasing the awareness of potential benefits of integration among people.

Turning to the economical background for OCA forming, it should be divided into two aspects: obligatory but not enough conditions of economical environment and meeting the criteria of OCA. Integrating countries (regions) should behave in comparable economical environment to reach similar results from applying common

instruments and implementing common policies. Such environment includes, first, similar monetary transmission in terms of price and wage flexibility, since common monetary policy will lead to different results for the regions with fixed and flexible prices and wages; second, similar fiscal habits, meaning traditions in budget spending and distribution, readiness to support other OCA partners and expectations of common financial support; and third condition is developed financial markets and the fact that common currency presupposes the integration of financial markets, which could be unfair in terms of different level of financial markets development. As far as the this third condition on the development of financial markets is hard to define, it is supposed that integrating markets would have at least similar development goals to be going in the same direction. That is how we define the basic environmental conditions, which should be held before common currency area creation to make integration successful.

Assuming all the mentioned above circumstances are true, integrating regions could start testing the OCA criteria, classical and the contemporary ones, to indicate whether they are comfortable to integrate. It is important to emphasize that the set of appropriate criteria will be different for different members of integration since such criteria should reflect the crucial economic aspects for integrating regions. That is why no criteria could be called obligatory in terms of currency integration, meanwhile, most of them has the right to exist as they could be significant in some individual case of integration.

All the described above logical principles of successful common currency area should be also supported by common macroeconomic goals and strategic objectives to provide similar decision preferences in terms of stabilizing macroeconomic situation or sustainable development goals.

Conclusions. Critical overview of theoretical and empirical findings on the main integration criteria for Ukrainian economy demonstrated the absence of a consolidated approach to such criteria. Analysis of a plenty of theoretical assumptions by criteria showed a variety of approaches to each criterion, which means there is no single agreed view on the optimum currency area (OCA) criteria, concepts still differ. Empirical results provide few common conclusions, for example, the relevance of exchange rate volatility as the index of OCA. However, models built on different geographical samples, often give controversial results, which means that different economic surroundings need different criteria to be applied for integration effects evaluation. Such conclusions are very important for further investigation of integration processes for particular regions, as it shows that for every country its internal economic specifics should be taken into account while choosing criteria for effective integration, and also external economic situation could influence the relevant criteria. The ideas mentioned above confirm the assumption that there couldn't be a common approach to the optimum integration criteria applicable for any country, each case should be considered individually.

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