

ECO-912 Seminar in Monetary and Fiscal Economics

Course Description

The course includes range of topics related to monetary and fiscal policy issues such as frameworks for analyzing monetary policy, evolution of monetary policy rules, monetary-policy issues for the Euro system, *the* liquidity trap, recent New Classical open-economy models of monetary policy, recent New Keynesian open-economy models of monetary policy, budget deficits and fiscal policy and Inflation etc.

Learning Outcomes:

The seminars on recent research on the topic of monetary and fiscal stabilization policy will help students to understand

- The costs of business cycles and the benefits of stabilization policies
- Evidence on the effects of monetary and fiscal policy shocks
- The effects of monetary and fiscal policy in standard economic models
- The effects of government debt on the economy
- Monetary and fiscal policy interaction
- The role of monetary and fiscal policy in the current economic crisis

Recommended Books

Laidler, David, (1993), "The Demand for Money: Theories, Evidence and Problems", Fourth Edition, Harper Collins Publishers.

Bofinger, Peter, (2001), "Monetary Policy: Goals, Institutions, Strategies, and Instruments", Oxford University Press.

Walsh, Carl, (2003), "Monetary Theory and Policy", Second Edition, The MIT Press.