

## **MONETARY AND FISCAL POLICY DEBATE (Ch 15)**

### **A. VELOCITY AND QUANTITY THEORY OF MONEY**

1. Velocity
2. Monetarism

### **B. POLICY OPTIONS**

1. Unconventional MP?
2. Asset Bubbles?
3. FP or MP?

### **C. AGGREGATE SUPPLY CURVE**

1. Economics and Politics
2. Policy Lags

### **D. RULES VS. DISCRETION**

1. Self Correction and Lags
2. Economic Forecasting
3. Size of Gov't
4. Uncertainties
2. Political Business Cycles