

# INTRODUCTION

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FISCAL AND MONETARY POLICY 2023

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## ABOUT THIS COURSE

- **Advanced graduate course** on fiscal and monetary policy.
- Not an exhaustive survey of the literature, but rather a selection of topics that I find interesting and important.
- The course will be based on a mix of theoretical and empirical papers.
- We will cover both tools and substance.
- Prerequisite: I will assume you took a course in Advanced Macroeconomics and are familiar with basic tools of dynamic macroeconomic analysis.
- Goal: you should be able to read and understand the most recent research in the field.

# LOGISTICS

- My email address: `p.zoch@uw.edu.pl`
- Office hours: by appointment
- All materials will be posted on the course website:  
`https://github.com/pzoch/FMP2023`

# ROADMAP

1. Debt management: how to respond to macroeconomic shocks?
2. Fiscal capacity: what determines the ability of the government to raise revenue?
3. Public debt and heterogeneity: how does government debt allow to share risk?
4. Price level determination in monetary economies: how does the government affect the price level?
5. Fiscal and monetary policy interactions.

## REQUIREMENTS

1. **Problem sets**: two or three problem sets that will ask you to derive conclusions from the models we discuss in class. You can work in groups of up to two students.
2. **Referee report**: you will be asked to write a short (2-3 pages) report on a recent working paper. I will give you the list of papers in December.
3. **Research proposal**: identify a research question and write a short (2-3 pages) proposal that justifies the question and outlines the approach to answering it.

I will give you more details on the referee report and the research proposal later in the semester.