



The Role of Policymakers in Business Cycle Fluctuations

By Jim Granato, M. C. Sunny Wong

Download now

Read Online 

The Role of Policymakers in Business Cycle Fluctuations By Jim Granato, M. C. Sunny Wong

This book's central theme is that a policymaker's role is to enhance the public's ability to coordinate their price information, price expectations, and economic activities. This role is fulfilled when policymakers maintain inflation stability. Inflation persists less when an implicit or explicit inflation target is met. Granato and Wong argue that inflation persistence is reduced when the public substitutes the prespecified inflation target for past inflation. A by-product of this coordination process is greater economic stability. In particular, inflation stability contributes to greater economic output stability, including the potential for the simultaneous reduction of both inflation and output variability - inflation-output co-stabilization (IOCS). Granato and Wong use historical, formal, and applied statistical analysis of business-cycle performance in the United States for the 1960 to 2000 period. They find that during periods when policymakers emphasize inflation stability, inflation uncertainty and persistence were reduced.

 [Download The Role of Policymakers in Business Cycle Fluctua ...pdf](#)

 [Read Online The Role of Policymakers in Business Cycle Fluct ...pdf](#)

The Role of Policymakers in Business Cycle Fluctuations

By Jim Granato, M. C. Sunny Wong

The Role of Policymakers in Business Cycle Fluctuations By Jim Granato, M. C. Sunny Wong

This book's central theme is that a policymaker's role is to enhance the public's ability to coordinate their price information, price expectations, and economic activities. This role is fulfilled when policymakers maintain inflation stability. Inflation persists less when an implicit or explicit inflation target is met. Granato and Wong argue that inflation persistence is reduced when the public substitutes the prespecified inflation target for past inflation. A by-product of this co-ordination process is greater economic stability. In particular, inflation stability contributes to greater economic output stability, including the potential for the simultaneous reduction of both inflation and output variability - inflation-output co-stabilization (IOCS). Granato and Wong use historical, formal, and applied statistical analysis of business-cycle performance in the United States for the 1960 to 2000 period. They find that during periods when policymakers emphasize inflation stability, inflation uncertainty and persistence were reduced.

The Role of Policymakers in Business Cycle Fluctuations By Jim Granato, M. C. Sunny Wong Bibliography

- Sales Rank: #3712281 in Books
- Brand: Brand: Cambridge University Press
- Published on: 2006-03-13
- Original language: English
- Number of items: 1
- Dimensions: 8.50" h x .87" w x 5.43" l, 1.06 pounds
- Binding: Hardcover
- 318 pages

 [Download The Role of Policymakers in Business Cycle Fluctua ...pdf](#)

 [Read Online The Role of Policymakers in Business Cycle Fluct ...pdf](#)

Download and Read Free Online The Role of Policymakers in Business Cycle Fluctuations By Jim Granato, M. C. Sunny Wong

Editorial Review

Review

“Granato and Wong have written an elegant volume that outlines a useful theoretical construct of the issues faced by policymakers in managing business cycles. The implications of their approach go beyond predictions of inflation and output performance. They also extend to recommendations about institutional reform and the role of the political process. Graduate students and academics that teach and think about macroeconomic policy issues will find this book to be a valuable addition to the literature.” - Pierre Siklos, Wilfrid Laurier University, Canada

“This splendid work of scholarship will be of considerable interest to both economists and political scientists. The argument relates a specific rule-based monetary policy to inflation and output performance on the one hand, and to the expectations and activities around stable and predictable monetary policies.” - William R. Keech, Carnegie Mellon University

“Innovative in the way it blends historical, mathematical, and statistical analyses and insightful in how it shows that rule-guided policy produced information coordination, Granato and Wong's book is a major contribution to political economy. The Role of Policymakers in Business Cycle Fluctuations will be a valuable resource to scholars who want to understand policy and macroeconomic outcomes in the United States in the Greenspan era and in the years to come.” - John Freeman, University of Minnesota

“Based on rigorous models and compelling econometric evidence, Granato and Wong's argument is that low inflation and stability of output are mutually reinforcing, with accuracy of inflation expectations playing a key role in producing this outcome. The authors weave together impressive theoretical, historical, and statistical support for their thesis.” - Henry Chappell, University of South Carolina

“This book provides an accessible and learned guide to the explosion of recent research on the modern theory of macroeconomic stabilization policy. The authors weave discussions of data, history, politics, and macroeconomic theory together in ways that emphasize the key role of private-sector expectations, and show how policymakers can play an important role in coordinating those expectations to minimize volatility.” - James Bullard, Federal Reserve Bank of Saint Louis

"Granato and Wong forcefully challenge assumptions about how economic agents form and update their expectations in response to policymaker behavior. Combining insights and methodologies from economics, statistics, and political science, they show how a policy emphasis on price stability contributes to sustained periods of economic growth. Their models of information, coordination, and learning represent the frontiers of political economy research. This work will serve as a touchstone for a generation of scholars interested in the political determinants of economic performance." - William Bernhard, University of Illinois, Urbana-Champaign

About the Author

Jim Granato is a Visiting Scientist and Political Science Program Director at the U.S. National Science Foundation (NSF). He is the author or co-author of numerous publications in academic journals such as American Journal of Political Science, Economics and Politics, Journal of Theoretical Politics, Political Analysis, Political Research Quarterly, and Public Choice. M. C. Sunny Wong is Assistant Professor of Economics at the University of Southern Mississippi. His primary research has focused on adaptive learning

dynamics in monetary policy and he is also interested in the areas of foreign direct investment (FDI) and economic growth. Professor Wong has published research articles in journals such as the Southern Economic Journal, Political Research Quarterly, and Journal of Macroeconomics.

Users Review

From reader reviews:

Micheal Summers:

In this 21st hundred years, people become competitive in most way. By being competitive currently, people have do something to make these people survives, being in the middle of the particular crowded place and notice by simply surrounding. One thing that sometimes many people have underestimated that for a while is reading. Yep, by reading a publication your ability to survive enhance then having chance to remain than other is high. For you personally who want to start reading any book, we give you this particular The Role of Policymakers in Business Cycle Fluctuations book as beginning and daily reading publication. Why, because this book is usually more than just a book.

Colleen Key:

Nowadays reading books are more than want or need but also work as a life style. This reading habit give you lot of advantages. The advantages you got of course the knowledge even the information inside the book that will improve your knowledge and information. The details you get based on what kind of e-book you read, if you want get more knowledge just go with education books but if you want experience happy read one together with theme for entertaining such as comic or novel. The actual The Role of Policymakers in Business Cycle Fluctuations is kind of reserve which is giving the reader capricious experience.

Anna Gann:

This The Role of Policymakers in Business Cycle Fluctuations is great reserve for you because the content that is certainly full of information for you who all always deal with world and still have to make decision every minute. That book reveal it data accurately using great arrange word or we can state no rambling sentences inside it. So if you are read this hurriedly you can have whole data in it. Doesn't mean it only provides you with straight forward sentences but challenging core information with splendid delivering sentences. Having The Role of Policymakers in Business Cycle Fluctuations in your hand like finding the world in your arm, details in it is not ridiculous one. We can say that no reserve that offer you world throughout ten or fifteen small right but this guide already do that. So , this is good reading book. Hey there Mr. and Mrs. active do you still doubt that?

Robert Brown:

Reading a book to become new life style in this 12 months; every people loves to learn a book. When you learn a book you can get a wide range of benefit. When you read books, you can improve your knowledge, due to the fact book has a lot of information on it. The information that you will get depend on what sorts of book that you have read. If you want to get information about your examine, you can read education books,

but if you act like you want to entertain yourself you are able to a fiction books, these us novel, comics, along with soon. The The Role of Policymakers in Business Cycle Fluctuations will give you new experience in studying a book.

**Download and Read Online The Role of Policymakers in Business
Cycle Fluctuations By Jim Granato, M. C. Sunny Wong
#QC39PDWAX58**

Read The Role of Policymakers in Business Cycle Fluctuations By Jim Granato, M. C. Sunny Wong for online ebook

The Role of Policymakers in Business Cycle Fluctuations By Jim Granato, M. C. Sunny Wong Free PDF d0wnl0ad, audio books, books to read, good books to read, cheap books, good books, online books, books online, book reviews epub, read books online, books to read online, online library, greatbooks to read, PDF best books to read, top books to read The Role of Policymakers in Business Cycle Fluctuations By Jim Granato, M. C. Sunny Wong books to read online.

Online The Role of Policymakers in Business Cycle Fluctuations By Jim Granato, M. C. Sunny Wong ebook PDF download

The Role of Policymakers in Business Cycle Fluctuations By Jim Granato, M. C. Sunny Wong Doc

The Role of Policymakers in Business Cycle Fluctuations By Jim Granato, M. C. Sunny Wong Mobipocket

The Role of Policymakers in Business Cycle Fluctuations By Jim Granato, M. C. Sunny Wong EPub

QC39PDWAX58: The Role of Policymakers in Business Cycle Fluctuations By Jim Granato, M. C. Sunny Wong