



## Finance and Economics Discussion Series: Activist vs. Non-Activist Monetary Policy: Optimal Rules Under Extreme Uncertainty

By Peter Von Zur Muehlen

Bibliogov, United States, 2013. Paperback. Book Condition: New. 246 x 189 mm. Language: English . Brand New Book \*\*\*\*\* Print on Demand \*\*\*\*\*.This paper analyzes the optimality of reactive feedback rules advocated by neo-Keynesians, and constant money growth rules proposed by monetarists. The basis for this controversy is not merely a disagreement concerning sources and impacts of uncertainty in the economy, but also an apparent fundamental difference in the attitude toward uncertainty about models. To address these differences, this paper compares the relative reactivity of a monetary policy instrument to conditioning information for two starkly differing versions of model uncertainty about the model and the data driving it: Bayesian uncertainty that assumes known probability distributions for a model's parameters and the data Knightian uncertainty that does not. In the latter case, the policy maker copes with extreme uncertainty by playing a mental game against nature, using minmax strategies. Contrary to common intuition, extreme uncertainty about a model's parameters does not necessarily imply less responsiveness to conditioning information--here represented by the lagged gap between nominal income growth and its trend--and it certainly does not justify constancy of money growth except in an extreme version of Brainard's (1967) result....

### Reviews

*I actually started off looking over this publication. I have read through and so I am certain that I am going to likely to study again yet again later on. I am easily will get a delight of reading a written pdf.*

-- **Ross Hermann**

*This published book is wonderful. It is really simplified but unexpected situations within the fifty percent of the ebook. Once you begin to read the book, it is extremely difficult to leave it before concluding.*

-- **Dr. Janis Reilly**

## Other eBooks

---



### **Weebies Family Halloween Night English Language: English Language British Full Colour**

Createspace, United States, 2014. Paperback. Book Condition: New. 229 x 152 mm. Language: English . Brand New Book \*\*\*\*\* Print on Demand \*\*\*\*\*.Children s Weebies Family Halloween Night Book 20 starts to teach Pre-School and Junior Children how to read with this...

---



### **Letters to Grant Volume 2: Volume 2 Addresses a Kaleidoscope of Stories That Primarily, But Not Exclusively, Occurred in the United States. It de**

Createspace, United States, 2013. Paperback. Book Condition: New. 216 x 140 mm. Language: English . Brand New Book \*\*\*\*\* Print on Demand \*\*\*\*\*.Volume 2 addresses a kaleidoscope of stories that primarily, but not exclusively, occurred in the United States. It describes in...

---



### **Next 25 Years, The: The New Supreme Court and What It Means for Americans**

SEVEN STORIES PRESS, 2008. Paperback. Book Condition: New. A new, unread, unused book in perfect condition with no missing or damaged pages. Shipped from UK. Orders will be dispatched within 48 hours of receiving your order. Orders are dispatched Monday â" Friday....

---



### **Because It Is Bitter, and Because It Is My Heart (Plume)**

Plume. PAPERBACK. Book Condition: New. 0452265819 12+ Year Old paperback book-Never Read-may have light shelf or handling wear-has a price sticker or price written inside front or back cover-publishers mark-Good Copy- I ship FAST with FREE tracking!!!! \* I am a reputable...

---



### **Read Write Inc. Phonics: Purple Set 2 Non-Fiction 4 What is it?**

Oxford University Press, United Kingdom, 2016. Paperback. Book Condition: New. 215 x 108 mm. Language: N/A. Brand New Book. These decodable non-fiction books provide structured practice for children learning to read. Each set of books is carefully levelled to match childrens growing...

---



### **New KS2 English SAT Buster 10-Minute Tests: 2016 SATs & Beyond**

Paperback. Book Condition: New. Not Signed; This is Book 2 of CGP's SAT Buster 10-Minute Tests for KS2 Grammar, Punctuation & Spelling - it's a brilliant way to introduce English SATS preparation in bite-sized chunks. Each set of quick tests is packed...

---