

ECO 301: Money and Banking

Policy Brief #1: Monetary Policy Episode

Economic policy briefs are produced in the real world by government and non-profit organizations to communicate an economic situation and make recommendations for economic policy to address the situation.

The first policy brief focuses on a monetary policy episode in history involving high unemployment and/or high inflation. Use data visualizations to show the economic situation. Describe how monetary policy responded. Did the central bank change the money supply and/or interest rates? How so? Did the central bank engage in other less traditional approaches to address the problem? Choose to endorse either the actual monetary policy that was enacted or your own suggestion for a different policy. Use economic theory and reasoning to predict the expected impact of the monetary policy that you suggest.

Written Policy Brief Expectations:

- **Groups or individual:** You may work in **groups of two or individually** on the writing assignment projects. You do not need to work in the same group for both projects.
- **Short:** Approximately 2-5 pages, single spaced. This is for guidance only. There is no length requirement.
- **Focus on a specific time, place, and economic issue:** Briefly describe the country, time period, and economic situation.
- **Use real data:** Use R and the ECODATA package to create professional-quality plots of economic data that provide evidence and details for the economic problem.
- **Use relevant data:** If exchange rates are relevant to your analysis, get exchange rate data. If you anticipate discussing quantitative easing in your policy brief, get monetary policy variables beyond interest rates, such as the size of monetary aggregates like M1 or M2, or the quantity of mortgage-backed securities held by the Federal Reserve.
- **Suggest an economic policy:** Describe actual economic policies used to address the problem and either endorse the policy or make your own suggestion for economic policy.
- **Use economic theory:** Use economic theory from this class to describe the expected impact of the policies that you endorse.
- **Cite literature:** Cite at least three news stories and one peer-reviewed academic paper on the topic. Your sources should help provide background for the economic problem and provide evidence for how and why your economic policy suggestion would be effective. Follow APA format for citing references and making bibliographies.
- **Assume a professional audience:** Assume you have an audience of business and/or public policy professionals that may not remember every detail of their college economics classes.
- **Well organized:** The content is clearly organized, with every paragraph containing a coherent idea, and with smooth transitions. There should be a clear sequence of identifying the economic problem, providing historical context, describing the economic variables, describing economic policies, analyzing policies with economic theory and reasoning, and concluding with a policy prescription. Use of section headers are appropriate, but not required. All parts of your policy brief should clearly contribute to your central message.
- **Concise:** Writing is focused and makes effective use of word and sentence choices.
- **Attention to grammar, spelling, vocabulary, and syntax:** Writing should be nearly error free and choice of words should convey ideas effectively and professionally.
- **Original work:** Your writing must be your own. Copying sections of text, such as whole sentences or paragraphs, from another source or from AI writing engines is plagiarism and constitutes academic dishonesty. While putting text in quotes is not plagiarism, it is also typically not effective writing. Put ideas from your literature review into your own words. For your work to be considered for a grade, it must have a *TurnItIn*TM similarity score of 15% or less and pass AI detection software used by your instructor.

Grading Rubric for Policy Briefs: The following rubric describes the expectations and evaluation criteria for the submissions.

Purpose and Audience			
Capstone (4)	Advancing (3)	Developing (2)	Benchmark (1)
Communicates a clear purpose and demonstrates thorough attention to all elements of the work.	Communicates a clear purpose and demonstrates a clear focus on the assigned task(s) (e.g., the task aligns with audience, purpose, and context).	Communicates a clear purpose and begins to show awareness of the audience's perceptions and assumptions).	The purpose is not clearly communicated or the paper gives little attention to the purpose or audience.
Content Development			
Capstone (4)	Advancing (3)	Developing (2)	Benchmark (1)
Communicates appropriate, relevant, and compelling content in an organized fashion to illustrate mastery of the subject and to achieve its stated purpose.	Communicates largely appropriate, relevant, and compelling content in an organized fashion to explore ideas of the subject.	Communicates largely appropriate and relevant content to explore ideas of the subject.	Communicates appropriate and relevant content to develop simple ideas in some parts of the work.
Data Analysis			
Capstone (4)	Advancing (3)	Developing (2)	Benchmark (1)
Uses the analysis of data as the basis for deep and thoughtful judgments, drawing convincing or insightful, carefully qualified conclusions from this work.	Uses the analysis of data as the basis for judgments, drawing reasonable conclusions from this work.	Uses the analysis of data for judgments, drawing mostly plausible conclusions work with few errors.	Uses the analysis of data as the basis for tentative, basic judgments or makes significant errors in conclusions
Sources and Evidence			
Capstone (4)	Advancing (3)	Developing (2)	Benchmark (1)
Demonstrates skillful use of relevant sources to support and develop ideas that are appropriate for the content, the purpose, and the audience.	Demonstrates the use of relevant sources to support ideas that are appropriate for the content, the purpose, and the audience.	Demonstrates an attempt to use relevant sources related to the content, the purpose, and the audience.	Demonstrates and attempt to use sources related to the content.
Conclusions			
Capstone (4)	Advancing (3)	Developing (2)	Benchmark (1)
Conclusions follow logically from the evidence provided; are neither too broad or too narrow given the evidence; and the consequences and implications tied to the purpose are discussed.	Conclusions follow logically from the evidence provided and are neither too broad or too narrow given the evidence	The conclusion follows logically from some of the evidence provided, but possibly not all; or the conclusions are too broad or too narrow given the evidence.	Conclusion is unclear or inconsistent with the evidence provided.
Syntax and Mechanics			
Capstone (4)	Advancing (3)	Developing (2)	Benchmark (1)
Uses language that is formal, eloquent, concise, yet complete in its exposition so as to skillfully communicate meaning to readers with clarity and fluency, and is virtually error-free.	Uses concise and straightforward language that generally conveys meaning to readers. The language in the portfolio has few errors.	Uses language that generally conveys meaning to readers with clarity, although writing may include some errors, lack of conciseness, lack of sufficient detail or language choice may be distracting.	Uses language that sometimes impedes meaning because of errors in usage, lack of conciseness, and/or lack of sufficient details.