

## Econ 216, Fall 2021

### HW #4

This assignment asks students to conduct an economic analysis in anticipation of the November FOMC meeting. It is due on Tuesday, November 2.

At its September meeting, the FOMC issued [this statement](#). It will release its next statement on Wednesday, November 3.

1. List the substantial changes that you think the Fed will make to its previous statement. Keep in mind that changes are usually relatively few.
2. Explain why you think the Fed will (or will not) change its assessment of the inflation situation?
3. Explain why you think the Fed will (or will not) change its assessment of the labor market?
4. Explain your reasoning behind the Fed's decision whether to begin tapering its asset purchases.
5. Are there any instances where what you think the Fed should do differs from what you think the Fed will do? Explain.

Bonus. Attend the Economics seminar on Friday. Send me a few paragraphs on what you learned and whether you think the speaker would be a good addition to the Bates Economics faculty. You may also receive this bonus for last week's speaker as well (maximum 2 per semester).