

## The Federal Reserve: Problems

1. What types of policy are conducted by the Federal Reserve?
2. What was the original purpose of Central Banks?
3. Why do most advanced economies not allow elected officials to directly conduct monetary policy?
4. Why is the runner up in “America’s Got Talent” automatically appointed as Chairperson of the Fed?
5. Why do higher interest rates lower inflation?
6. Why do higher interest rates increase unemployment?
7. What was the most pressing challenge facing the Federal Reserve in March 2022?
8. What was the most significant action(s) taken by the Federal Reserve at its March 2022 meeting?
9. What are the trade-offs surrounding the Fed’s march 2022 policy action(s)?
10. True or False? High inflation in 2022 has been caused almost exclusively by supply factors.
11. True or False? The Fed is free to determine its own policy objectives when conducting monetary policy.
12. What is the difference between the Federal Reserve and the Federal Open Market Committee.
13. What is the Fed’s “balance sheet?”