1. Should Monetary and Fiscal Policymakers Try to Stabilize the Economy?
   a. Pro: Policymakers should try to stabilize the economy
   b. Con: Policymakers should not try to stabilize the economy
      i. The key here is that with the recognition, implementation and effect lags there is no way to effectively implement discretionary policies.

2. Should the Government Fight Recessions with Spending Hikes Rather Than Tax Cuts?
   a. Pro: The Government Should Fight Recessions with Spending Hikes
   b. Con: The Government Should Fight Recessions with Tax Cuts

3. Should Monetary Policy Be Made by Rule Rather than by Discretion?
   a. Pro: Monetary policy should be made by rule
      i. A stable growth rate of the money supply overcomes the lags noted above as it grows too slowly during booms cooling off the economy and too fast during recessions stimulating the economy.
   b. Con: Monetary policy should not be made by rule
      i. The primary argument made against a rule is by the Fed because it would dramatically reduce the size of the Fed staff and they like their soft, high-paid jobs.
      ii. In the News: Inflation Targeting as a Rule for Monetary Policy, P. 834

4. Should the Central Bank Aim for Zero Inflation?
   a. Pro: The central bank should aim for zero inflation
      i. The only costs are incurred getting there and we are essentially there now.
   b. Con: The central bank should not aim for zero inflation
   c. In the News: What is the Optimal Inflation Rate?, P. 822

5. Should the Government Balance its Budget?
   a. Pro: The Government Should Balance its Budget
   b. Con: The Government Should Not Balance its Budget
   c. In the News: Dealing with Debts and Deficits, P. 826

6. Should the Tax Laws Be Reformed to Encourage Saving?
   a. Pro: The tax laws should be reformed to encourage saving
      i. While saving may not be particularly sensitive to the interest rate, it is low and double taxation of it is not fair, so the consumption (income minus savings) tax is very appealing.
   b. Con: The tax laws should not be reformed to encourage saving
Chapter 36: Six Debates over Macroeconomic Policy
Principles of Economics, 6th Edition
N. Gregory Mankiw
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7. Conclusion

8. Summary