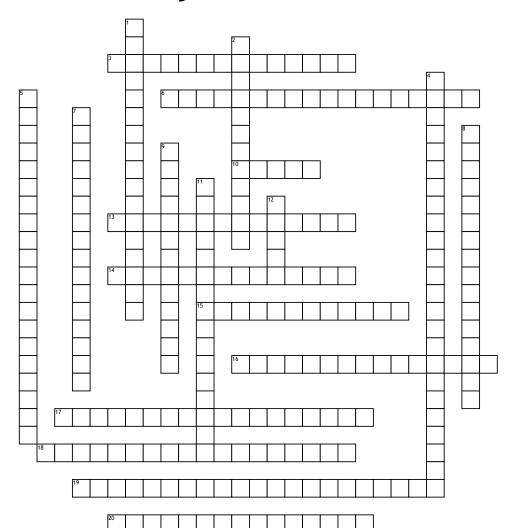
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Monetary Vs Fiscal Policy



Across

- **3.** Actions by the FED to stabilize the economy
- **6.** A decrease in AD will lead to a persistant recession because prices/wages are NOT flexible
- **10.** Anything generally accepted in payment for goods and services
- **13.** Money deposited in a commercial bank in a checking account
- **14.** Government office that sets and adjusts the money supply to adjust the economy
- **15.** Actions by congress to stabilize the economy

- **16.** Used as a measure in predictions of economic growth
- **17.** The amount of a deposit the bank has to keep at the bank
- **18.** A change in AD will not change output in the short run because prices are flexible
- **19.** Type of Fiscal policy that happens automatically
- **20.** How fast money passes from one holder to the next

Down

1. When demand in the loanable funds graph shifts to the right

- **2.** Commodity money: performs the function of money, Fiat: has no other value
- **4.** Type of Fiscal policy that happens at the will of congress
- **5.** When the gov buys or sells bonds
- 7. When the demand on the loanable funds graph shifts to the left
- **8.** Every time a bank loans out money, it increases the money
- 9. Supply and demand for loans
- **11.** The interest rate banks lend to other banks/places
- 12. loans that the gov buys and sells

Word Bank

Types of money Fractional Reserves Crowding out effect Automatic fiscal policy Federal Funds Rate **Demand Deposits** classical economics Money aggregates Monetary Policy Velocity of money Loanable funds Fiscal policy Open market operations **Bonds** Discretional Fiscal Policy Money Crowding in effect Federal Reserve Keynesian economics Multiplier effect