Inflation Targeting and Fiscal Rules: Made for One Another?

The article contributes to the debate between the proponents of a discretionary approach to policy making and those supporting rules that guide policy choices.

The article shows that rules have cross effects: monetary (fiscal) rules influence fiscal deficit (inflation rate).

Monetary and fiscal rules have complementary effects.

Read the blog article on the Royal Economic Society website

About the authors

Jean-Louis Combes, Professor, Université Clermont Auvergne, CNRS, IRD, CERDI, F-63000 Clermont-Ferrand, France

Xavier Debrun, Deputy chief of the Fiscal Policy and Surveillance Division in the Fiscal Affairs, Department of the International Monetary Fund
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