

**BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM**  
**DIVISION OF MONETARY AFFAIRS**  
**FOMC SECRETARIAT**

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**Date:** December 1, 2009  
**To:** Governors and Reserve Bank Presidents  
**From:** Matthew M. Luecke  
**Subject:** Background Papers for December Special Topic Discussion

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The agenda for the December 15-16 FOMC meeting includes a discussion on inflation dynamics. Attached as background for that discussion are the five papers listed below, which were prepared by Reserve Bank staff.

Next week we will also post to SDS the inflation dynamics presentations that are planned for the FOMC meeting.

**Attached Papers:**

1. "Gaps and Monetary Policy," by Roc Armenter, Michael Dotsey, Andreas Hornstein, Thomas Lubik, Keith Sill, and Alexander Wolman.
2. "The Global Slack Hypothesis," by Enrique Martínez-García and Mark A. Wynne.
3. "The Role of Expectations and Output in the Inflation Process: An Empirical Assessment," by Jeff Fuhrer and Giovanni Olivei.
4. "The Relationship between Inflation and Inflation Expectations," by Todd E. Clark and Troy Davig.
5. "Survey Evidence on the Perceived Relationship between Inflation and Government Debt among Consumers and Financial Experts," by Simon Potter, Robert Rich, Giorgio Topa, and Wilbert van der Klaauw.