1. **Project Objectives and Background of Research**

Many research findings are used to solve real-world problems. Economics is a typical example. Tons of economics research is devoted to solving a wide range of economic problems, from stable marriage problems to optimal monetary policy problems. Even though professionals in economics use their economics knowledge in their minds when they tackle problems in the economy, do they use this knowledge explicitly in discussions? If so how these are used?

In this research, I study how economics experts use concepts from economics in a policy-making situation. I utilize the data set from Federal Open Market Committee (FOMC) minutes, and Information extraction techniques, to extract relationships between economics terminologies and facts they discussed in FOMC meetings. An FOMC meeting is the regular meeting for monetary policy at Federal Reserve Bank. I assume that FOMC members know principal economics concepts because all of the FOMC members are economic experts both from academia and practical business. I also make an economics jargon dictionary from one of the best seller economics textbooks.

2. **Research Methodology:**

The first step is to make the dataset fit my research goal. I will create two data sets: the FOMC minutes dataset and the Economics terminology dictionary. FOMC minutes are open to the public on the FRB webpage. To make the dataset, I write a script to crawl the documents and preprocess them, and create an Economic terminology dictionary from the standard economics textbook. It will enables us to make an economics vocabulary corpus. Secondly, I will try to expand Ren et al. (2015) and also will utilize the vocabulary corpus made in the first phase. Since there is an uncertainty about whether the model will work for the research questions, I will consider and try to use other models.

3. **Project Significance and Value:**

This proposal will bridge the gap between different research domains, economics, and computer science. There are economics studies using text data, but most of them study the interactions between monetary policy and the real economy outcome, or a key concept in economics. However, my proposal has an interest in how the knowledge from the domain is used in policy-making situations. This study will provide how the professionals use economic concepts in practice and how we should understand economics in order to understand monetary policy management.

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References


