NORTH CAROLINA STATE UNIVERSITY
GRADUATE COURSE ACTION FORM

NOTE: Click once on shaded fields to type data. To check boxes, right click at box, click “Properties”, and click “Checked” under Default Values.

DEPARTMENT/PROGRAM: Economics
COURSE PREFIX/NUMBER: ECG 705
PREVIOUS PREFIX/NUMBER: type previous course prefix/number here
DATE OF LAST ACTION: 9/12/1991
COURSE TITLE: Macroeconomics II
ABBREVIATED TITLE: MACROECONOMICS II
SCHEDULING: Fall ☐ Spring ☑ Summer ☐ Every Year ☑ Alt. Year Odd ☐ Alt. Year Even ☐ Other ☐
COURSE OFFERED: BY DISTANCE EDUCATION ONLY ☐ ON CAMPUS ONLY ☑ BOTH ON CAMPUS AND BY DISTANCE EDUCATION ☐
CREDIT HOURS: 3.0
CONTACT HOURS: Lecture/Recitation 3.0 Seminar ☐ Laboratory ☐ Problem ☐ Studio ☑ Independent Study/Research ☐ Internship/Practicum/Field Work ☐
GRADING: ABCDF ☑ S/U ☑
INSTRUCTOR (NAME/RANK): John Lapp, Professor; Douglas Pearce, Professor
Graduate Faculty Status: Associate ☐ Full ☑
ANTICIPATED ENROLLMENT: Per semester 25 Max. Section 35 ☐ Multiple sections Yes ☑
PREREQUISITE(s): ECG 704
COREQUISITE(s): type course numbers here
PRE/Corequisite For: type course number(s) here
RESTRICTIVE STATEMENT: type BRIEF statement here
CURRICULA/MINORS: Required ☐ Qualified Elective ☐
PROPOSED EFFECTIVE DATE: Spring 2006

CATALOG DESCRIPTION (limit to 80 words): Continuation of ECG 704. Topics include, but are not limited to, money demand and supply; money and growth; inflation; term structure of interest rates; money and fluctuations, including real and New Keynesian models; theories of unemployment; conduct of policy and problems of time consistency; asset pricing; introduction to open economy models.

RECOMMENDED BY:

ENDORSED BY:

APPROVED:

Type of Proposal: New Course ☐ Drop Course ☐ Course Revision ☑ Dual-Level Course ☐
Revision: Content ☐ Prefix/Number ☑ Title ☐ Abbreviated Title ☑ Credit Hours ☐ Contact Hours ☐ Grading Method ☐ Pre-Corequisites ☐ Restrictive Statement ☑ Description ☑
Scheduling ☐

Documentation as Required:
Course Justification ☐ Proposed Revision(s) with Justification ☑ Student Learning Objectives ☐ Enrollment for Last 5 Years ☑ New Resources Statement ☐ Consultation with other Departments ☐ Syllabus (Old and New) ☑ Explanation of differences in requirements of dual-level courses ☐

Department Head/Director of Graduate Programs Date
Chair, College Graduate Studies Committee Date
College Dean(s) Date
Dean of the Graduate School Date
Proposed Revisions
ECG 705

REVISION IN TITLE/ABBREVIATED TITLE:
Current Title: Monetary Economics
Current Abbreviated Title: MONETARY ECONOMICS

Proposed Title: Macroeconomics II
Proposed Abbreviated Title: MACROECONOMICS II

Justification: We propose a title change to better reflect the content and sequencing of the course.

REVISION IN DESCRIPTION:
Current Description: Consideration of money market and portfolio management, cost of capital, effects of monetary phenomena on investment and accumulation of wealth with emphasis throughout on problems arising from uncertainty; general equilibrium theory of money, interest, prices and output.

Proposed Description: Continuation of ECG 704. Topics include, but are not limited to, money demand and supply; money and growth; inflation; term structure of interest rates; money and fluctuations, including real and New Keynesian models; theories of unemployment; conduct of policy and problems of time consistency; asset pricing; introduction to open economy models.

Justification: We propose a description change to better reflect the content of the course.

REVISION IN SYLLABUS:
There is no change in the syllabus of the course.
## Five-Year Enrollment History

**ECG 705 Monetary Economics**  
(Proposed Title: Macroeconomics II)

<table>
<thead>
<tr>
<th></th>
<th>Fall</th>
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<th>Summer</th>
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</tbody>
</table>
Units: ECG 705

Spring 2005: Syllabus

Instructor Information
Instructor: John S. Lapp
Office: Room 4102A Nelson Hall
Office Hours: 9:00 - 11:00 Monday and Wednesday and by appointment
Phone: voice 513-2877; fax 515-7873
E-Mail: john_lapp@ncsu.edu

Communication
I will post the paper assignment, problem sets, review questions, notes on the problems and exams, and other materials to our class website. You are expected to check the website for new material regularly. The URL is http://courses.ncsu.edu/ecg705/lec/001/.

Questions
Please ask questions during the course. A discussion of student questions is an excellent use of class time. Additionally, you can come to my office to discuss questions and issues or you can reach me by e-mail and telephone. I am usually able to respond to e-mail messages quickly. However you do it, please ask...
questions as they arise. The material in the course builds cumulatively and if there are questions that go unanswered, they are likely to cause problems later in the course. **You should realize that asking questions is evidence of understanding and perception, not of some failure on the part of the person asking the question.**
This page gives a **tentative** schedule for topics and exams. Since it is hard to predict how fast we will move through the material, the scheduling of the topics will probably be revised several times during the semester. I will try to adhere to this schedule for the exams.

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<td>II.B. - Models Based on Transactions Role of Money</td>
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<td>II.B. - Models Based on Transactions Role of Money</td>
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<td>02/01</td>
<td>II.C. - Inflation and the Inflation Tax</td>
<td>Exam 1</td>
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<td>02/03</td>
<td>II.C. - Inflation and the Inflation Tax</td>
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<td>02/08</td>
<td>II.D. - Short-Run Models</td>
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<td>02/10</td>
<td>Through Section II.C.</td>
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<td>02/15</td>
<td>II.D. - Short-Run Models</td>
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<td>02/17</td>
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<td>03/01</td>
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03/31 Through III.A.

04/05 III.B. - Monetary Policy: Operating Procedures
04/07 III.C. - Monetary Policy and Interest Rates

04/12 III.C. - Monetary Policy and Interest Rates
04/14 III.C. - Monetary Policy and Interest Rates

04/19 III.D. - New Keynesian Analysis of Monetary Policy
04/21 III.D. - New Keynesian Analysis of Monetary Policy

04/26 III.D. - New Keynesian Analysis of Monetary Policy
04/28 Catch-Up and Review

05/05

Exam 2

Paper Due

Comprehensive Final Exam
(1 to 4 pm)
**NEW SYLLABUS**

North Carolina State University  
Department of Economics  
ECG 705 - Macroeconomics II  
Spring 2006: Syllabus

**Prerequisite:** ECG 704

**Incomplete/ Late Grades:** Incomplete or late grades will only be given for legitimate reasons such as medical emergencies or other such special circumstances.

**Course Description**
This course is designed to help students develop an understanding of the literature relating money to the aggregate economy. The course will focus on the influence of money on prices, interest rates and output and on the role of monetary policy.

There will be three exams requiring students to write short essays, a paper and a series of problem sets. The paper will be a dissertation research proposal based on issues raised in the course.

**Learning Objectives**
By the end of the course, students will be able to:

- Read and comprehend current literature on monetary policy and its macroeconomic effects on interest rates, prices and output.
- Formulate correct answers to questions on these same topics that appear on the written comprehensive exam in microeconomics for economics PhD students.
- Develop logically consistent economic models suitable for analysing a research question worthy of an economics PhD dissertation.

**Grading**

Grades will be weighted as:
- First Exam 20%
- Second Exam 25%
- Final Exam 30%
- Paper 15%
- Problem Sets 10%

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<th>Numerical Score</th>
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<th>93-96.9</th>
<th>90-92.9</th>
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Communication
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Questions
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        Exam 2

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04/28  Catch-Up and Review            
        Paper Due

05/05  

        Comprehensive Final Exam
        (1 to 4 pm)
Class Policies

Attendance

1. Excuses for anticipated absences must be cleared with the instructor before the absence. Examples of anticipated situations where a student would qualify for an excused absence are:

   a. The student is away from campus representing an official university function, e.g., participating in a professional meeting, as part of a judging team, or athletic team. These students would typically be accompanied by a University faculty or staff member.

   b. Required court attendance as certified by the Clerk of Court.

   c. Religious observances as verified by Parents & Constituent Services (515-2441). For more information about a variety of religious observances, visit the Diversity Calendar.

   d. Required military duty as certified by the student's commanding officer.

2. Excuses for emergency absences must be reported to the instructor as soon as possible, but not more than one week after the return to class. Examples of emergency absences are:

   a. Illness or injury when certified by an attending physician. Physicians on the Student Health Service staff do not provide written excuses. Because of student confidentiality, information can only be released directly by the Counseling Center or Student Health Services in case of crisis or with the student's written authorization.

   b. Death or serious illnesses in the family when documented appropriately. An attempt to verify deaths or serious illness will be made by Parents & Constituent Services (515-2441) at the request of the instructor.

For a full statement of the University Attendance Policy, see

http://www.ncsu.edu/policies/academic_affairs/pols_regs/REG205.00.4.php

Disabled Students: In accordance with Section 504 of the Rehabilitation Act of 1973 (“Rehab Act”), the Americans with Disabilities Act of 1990 (“ADA”), and state law, North Carolina State University (hereinafter NC State) is required to accommodate an otherwise qualified individual with a disability by making a reasonable modification in its services, programs, or activities. This regulation addresses the eligibility of students for academic accommodations in educational programs, services, and activities at NC State, as well as the provision of such accommodations to students with various types of disabilities. For a full review of NCSU's policy toward students with disabilities, please see:

http://www.ncsu.edu/policies/academic_affairs/courses_undergrad/REG02.20.1.php

Academic Integrity/ Student Conduct: This course will be held in accordance with the University's academic integrity standards as outlined in the Code of Student Conduct. Please review the Code in its entirety at: http://www.ncsu.edu/policies/student_services/student_discipline/POL11.35.1.php.