ECON 6235: MONETARY AND FINANCIAL THEORY
Syllabus for Fall 2013
5:30 p.m. – 8:15 p.m. M
Center City 504

Instructor
Rob Roy McGregor
227C Friday Building
Phone 704-687-7639
Email rrmcgreg@uncc.edu

Office Hours
Main Campus: 2:30 p.m. – 4:00 p.m. MW
Center City: 4:45 p.m. – 5:30 p.m. M in Center City 713 and immediately after class

Course Objective
Students will develop a familiarity with theoretical and empirical work that addresses how monetary institutions and monetary policy actions affect important variables like interest rates, prices, employment, and production.

Means of Student Evaluation
Course grades will be determined by student performance on three in-class tests and several problem sets. These components will have the following weights in the calculation of students’ final grades:

<table>
<thead>
<tr>
<th>Component</th>
<th>Weight</th>
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<tbody>
<tr>
<td>Test #1</td>
<td>25%</td>
</tr>
<tr>
<td>Test #2</td>
<td>25%</td>
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<tr>
<td>Test #3</td>
<td>25%</td>
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<tr>
<td>Problem Sets</td>
<td>25%</td>
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</tbody>
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Letter grades for the course will be based on the following scale:

<table>
<thead>
<tr>
<th>Grade</th>
<th>Percentage</th>
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<tbody>
<tr>
<td>A</td>
<td>90% and above</td>
</tr>
<tr>
<td>B</td>
<td>80%-89.99%</td>
</tr>
<tr>
<td>C</td>
<td>70%-79.99%</td>
</tr>
<tr>
<td>U</td>
<td>below 70%</td>
</tr>
</tbody>
</table>

Test Dates
The first test will be on September 30; the second, on November 4; and the third, in the final exam slot for the course (5:30 p.m. – 8:00 p.m. on December 9).

Academic Integrity
Students are required to abide by the UNC Charlotte Code of Student Academic Integrity. Violations of the Code will result in disciplinary action as provided in the Code. The Code is available from the Dean of Students Office or online at http://legal.uncc.edu/policies/up-407.
Disability Accommodations
Students in this course seeking accommodations to disabilities must first consult with the Office of Disability Services and follow the instructions of that office for obtaining accommodations.

Other
The standards and requirements set forth in this syllabus may be modified at any time by the course instructor. Notice of such changes will be by announcement in class and by email.

The last day to withdraw from a course with a grade of W (and retain other courses) is October 28, and the last day to withdraw from all courses with grades of W is November 18.

On any given class day, if I am more than 30 minutes late for class and you have received no notification from me to the contrary, you may assume that class is canceled.

The Belk College of Business strives to create an inclusive academic climate in which the dignity of all individuals is respected and maintained. Therefore, we celebrate diversity that includes but is not limited to ability/disability, age, culture, ethnicity, gender, language, race, religion, sexual orientation, and socio-economic status.

Course Schedule and Required Readings (Listed in Recommended Order)

Week 1 (August 19):
Choosing a Monetary Policy Instrument

Week 2 (August 26):
Analyzing a Steady Inflation
http://www.nber.org/chapters/c11452.pdf?new_window=1

Week 3 (September 2):
Labor Day Holiday – No Class Meeting

Week 4 (September 9):
Output-Inflation Tradeoffs

Week 5 (September 16):
Interest Rate Policy Rules

**Week 6 (September 23):**
Inflation Targeting

**Week 7 (September 30):**
Test #1

**Week 8 (October 7):**
Fall Break – No Class Meeting

**Week 9 (October 14):**
The Zero Lower Bound on Nominal Interest Rates – Part I

**Week 10 (October 21):**
The Zero Lower Bound on Nominal Interest Rates – Part II

**Week 11 (October 28):**
Credit Market Disruptions

**Week 12 (November 4):**
Test #2

**Week 13 (November 11):**
Quantitative Easing – Analytical Background

**Week 14 (November 18):**
Quantitative Easing – Implementation and Effects

**Week 15 (November 25):**
Past and Future Challenges for Monetary Policy – Part I

**Week 16 (December 2):**
Past and Future Challenges for Monetary Policy – Part II


**Week 17 (December 9):**
Test #3