

## SYLLABUS

### E306, Monetary Policy: Focus on the Fed

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### COURSE POLICIES

1. Office hours will be by appointment so as to maximize students' opportunity to get individual attention from the professor. Students are welcome to call the professor's home phone number between 10:30 a.m. and 2:00 a.m. or email anytime. Should there be no answer try the office or leave a message on the recorder with information where and when to return the call.
2. The following grade scale will be applied to calculate final grades:

A	100 - 99%
B	80 - 89%
C	70 - 79%
D	60 - 69%
F	less than 60%
3. There will be two examinations. A midterm (around March 1) and a final examination (around the beginning of the second week in December).
4. Each examination will consist of 6 short essay questions. You must select exactly five of these questions and answer them consistent with the instructions given. Each examination will cover only that part of the course that was assigned prior to the examination. In other words, the final examination is not comprehensive. The midterm is 40% of the final grade, and the final is 50% of the final grade.
5. There will at least two classroom presentations required of each student. These assignments will be subject to assessment and included in the final grade. This portion will be worth 10% of the final grade
6. Students who participate in the IPFW Student Research and Creative Endeavor Symposium, will have the midterm count 20%, the final 25% and the classroom presentations 5%, and their paper presentation will count 50%, for which a grade of A will be received for successful participation.

7. No extra credit assignments are possible. Any academic dishonesty will result in an automatic course grade of F.
8. All department, school, and IPFW rules will be enforced in this section of this course.

### **Course Objectives**

In addition to the general objectives outlined in the Undergraduate Bulletin, there are course specific objectives. As a foundation, the student is going to master and be familiar with the concepts of National Income Accounting, business cycles and their measurement, the Institution of the Federal Reserve, and monetary policy in the United States.

This is a course is more than a simple money and banking course, it is designed to provide a practically oriented, higher level introduction to the Federal Reserve and Monetary Policy. It is also designed to prepare a team of the best students for participation in the FED CHALLENGE in Chicago during the Fall Semester.

### **REQUIRED TEXT**

David A. Dilts, *E550, Business Conditions Analysis*. Fort Wayne: 2006, memo, on the Economics Department Website, under my name.

David A. Dilts, *A524, Decision Making Economic Environment in a Global Economy*. Fort Wayne: 2006, memo, on the Economics Department Website, under my name.

There are also readings from the Federal Reserve Board of Governor's Website.

### **TENTATIVE COURSE OUTLINE**

1. Introduction to Course and Monetary Economics

2. National Income Accounts

Dilts E550, Chapter 2

Optional: Campbell McConnel and Stan Brue, *Macroeconomics*, Chapter 7

3. Unemployment and Inflation

Dilts E550, Chapter 3

4. Data and Its Sources and Problems

Dilts E550, Chapter 13

5. Economic Indicators

Dilts E550, Chapter 14

John McAuley, *Economic Forecasting for Business: Concepts and Applications*, Chapter 3

6. Economic Stability and Policy

Dilts E550, Chapter 12

MIDTERM EXAM

7. Money and Banking

Dilts, E550, Chapter 8

Fed Governors' Website: *In Plain English, Making Sense of the Federal Reserve*

Optional: Campbell McConnell and Stan Brue, *Macroeconomics*, Chapter 13

8. Multiple Expansion of Money

Dilts, E550, Chapter 9

Optional: Campbell McConnell and Stan Brue, *Macroeconomics*, Chapter 14

9. Federal Reserve and Monetary Policy

Dilts E550, Chapter 10

Fed Governor's Website: *A Day in the Life of the FOMC*

Fed Governor's Website: *Minutes of the FOMC, latest two meetings*

10. Currency Exchange Rate Issues

Dilts A524, *Decision Making Economic Environment in a Global Economy*, Chapter 11

11. Interest Rates and Output

Dilts E550, Chapter 11

FINAL EXAMINATION