



UNIVERSITY OF FLORIDA

College of Business Administration  
Graduate School of Business  
Fisher School of Accounting  
John Kraft, Dean

101 Anderson Hall  
Gainesville, Florida 32611-2014  
Phone (904) 392-2397  
Fax (904) 392-2086

GENERAL FACULTY MEETING  
FEBRUARY 14, 1992  
2:00 - 4:00 p.m.

AGENDA

1. Minutes from the November 14, 1991 General Faculty Meeting.
2. Undergraduate Committee David Nye
  - Establishment of new course: MAR 2290 (attachment 1)
  - Addition of Honors Thesis courses (attachment 2)
3. Budget Update Andy McCollough
4. International Programs Roy Crum
5. MBA Program Chris James  
Steve DeKrey
6. Dean's Report John Kraft
7. Other Business

GRADUATE FACULTY MEETING  
FEBRUARY 14, 1992

AGENDA

1. Graduate Course changes in Economics Department Rich Lutz  
(attachment 3)
2. Changes to DIS course prerequisites (attachment 3) Rich Lutz
3. Other Business

FACMTG.AGD/TXTRCM

FLORIDA DEPARTMENT OF EDUCATION  
STATEWIDE NEW COURSE TRANSMITTAL FORM

(See instructions for completing Part I on reverse side.)

PART I: TO BE COMPLETED BY UNIVERSITY

UNIVERSITY OF FLORIDA      0 0      001535      Marketing  
University      County      Institutional Code      Department  
Code

Recommended SCNS Course Identification:

Discipline (SMA)      Prefix M A R      Level 2      Course No. 290      Lab Code      Contact Hr\*      Base 1  
OR Head Count

University's Course Title: Retail Management Seminar

Amount of College Credit: 01 If variable or repeatable credit, min      and max      per semester; total      repeated credits allowed.      \*Grade S-U

Catalog Description (For graduate courses, attach brief syllabus, grading criteria, and reading list; for undergraduate and professional courses, attach syllabus or outline):  
Each of a series of weekly lectures features a different executive making a presentation in their area of expertise. Major issues in retailing are addressed. Discussions of career opportunities and career paths in retailing are included.

Prerequisites: None

Corequisites: None

Intended Students (Check all that apply):

Undergraduate Nonmajors       Undergraduate Majors       Advanced Undergraduates       Graduate Students  
 Honor Students       Other (specify):

Category of Instruction:       Introductory       Intermediate       Advanced

List the department chair (by name & dept) with whom you have cleared any question of possible duplication or infringement by this course. Each such chair must either sign the syllabus requested or indicate no concern over possible infringement or make comments. Any lack of comments or signatures must be explained.

Fall 1992      Cathy Quincey      2-0161  
Effective Term (first term course will be offered)      Department Contact      Phone No.  
[Signature]      Date      Signature of College Dean      Date  
Signature of Graduate Dean      Date      Signature of University Contact      Date  
(if applicable)

\*Example formulas on reverse side.

FOR SCNS USE ONLY

PART II: FACULTY DISCIPLINE COMMITTEE USE  
APPROVED Prefix      Level      Course No.      Lab Code  
If not the same as recommended by institution, please explain:  
SCNS Course Title (if new)  
Decade Title (if new)      Century Title (if new)  
Signature of Faculty Discipline Committee Representative      Date

PART III: SCNS STAFF USE ONLY  
Signature      Date Entered      Correspondence Number

RETAIL SEMINAR SERIES  
MAR ~~4905~~  
2290

ATTENDANCE POLICY

This is an S/U course and a satisfactory grade requires your attendance at eleven of thirteen scheduled presentations about retail issues. Each week there will be a different speaker from the retail industry who will talk about his/her area of expertise. Please note there is not a class scheduled for Friday, September 13th because of Career Expo or Friday, October 18th because of homecoming. Please plan your absences carefully because you must attend eleven sessions. No exceptions will be made.

Attendance will be taken by the use of an attendance survey (see attached). You will be given a file card when you enter class and you will be asked to write your name and the answer to one of the questions on the survey. You will hand the card in when class is finished. Therefore, you must be in the room when class begins at 10:40 am and you must stay until the class is over at 11:30 am in order to receive credit for attending the presentation.

If you have any questions regarding this policy see Debbie Antonelli at the Retail Center, 204 Matherly Hall.



GRADUATE SCHOOL OF BUSINESS ADMINISTRATION • UNIVERSITY OF FLORIDA • GAINESVILLE 32611-2017  
Department of Finance, Insurance, and Real Estate

Tel: (904) 392 9153  
Fax: (904) 392 6250

January 28, 1992

MEMORANDUM

TO: Sharon Haughton  
FROM: David Nyc. *David*  
SUBJECT: Honors Thesis

On November 6th 1991, the Undergraduate Committee approved the addition of the following Honors Thesis courses:

1. FIN 4970
2. MAN 4970
3. MAR 4970
4. QMB 4970
5. REE 4970
6. RMI 4970

The original transmittal forms from FIRE, Management, and Marketing are enclosed with this memo.

Economics has not yet made a decision to add this course. Accounting will not be adding this course.

The Committee requests that these be placed on the agenda for the next faculty meeting.

/vjd

Enclosure: transmittal forms

## CATALOG DESCRIPTION

MAR 4970 Honors Thesis. F, S, SS

Credits: 1<sup>++</sup>; Prereq: 100 hours earned, 3.6 UF GPA

A thesis is required for the awarding of the High or Highest Honors designation. To qualify for the thesis option students will normally have completed 100 semester hours of coursework (exceptions may be made by the honors coordinator of the student's major department) and must have at least the grade point average (3.6) required for High Honors at the time they enroll. The thesis will be reviewed by at least one faculty member chosen by the honors coordinator from the student's major department. This course is offered only under the S/U option.

<sup>++</sup>Grading is on S/U basis only

*The same description was used  
for each course*



**UNIVERSITY OF FLORIDA**

College of Business Administration  
W. Andrew McCollough, Associate Dean

100 Anderson \* Gainesville, Florida 32611-2017  
Office (904) 392-8436 - FAX (904) 392-2086

January 30, 1992

MEMORANDUM

TO: John Kraft  
FROM: W. Andrew McCollough  
SUBJECT: Curriculum Changes

Attached are graduate course changes which have been reviewed and approved by the Graduate Committee. Please submit these to the Graduate Faculty for approval at the next meeting.

- 1) New course - ECO 5xxx - Public Economics: Tax Analysis
- 2)) Changes described in memo dated 11/8/91
  - a) Deletion of Obsolete Course
 

|          |          |
|----------|----------|
| ECO 5111 | ECP 5205 |
| ECO 5566 | ECS 5005 |
| ECO 6257 | ECS 6006 |
| ECO 6305 | ECS 6405 |
| ECO 6315 | ECS 6415 |
| ECP 5106 |          |
  - b) Reactivation of Courses
 

|          |
|----------|
| ECO 6155 |
| ECO 5545 |
| ECO 5556 |
- 3) Changes described in memo dated 11/13/91
  - a) GEB 5805 - change course title, description, prefix & level (ECO 6805), prerequisites
  - b) New course - ECO 6806 - Advanced Mathematical Techniques and Applications to Economics
  - c) ECO 6115 - change corequisite from GEB 5805 to ECO 6805
  - d) ECO 6116 - change description
  - e) ECO 6206 - change description & corequisites
  - f) ECO 6207 - change description, prerequisites & corequisites
  - g) ECO 5415 - change prerequisites and corequisites
  - h) ECO 5424 - notice that changes to ECO 5415 affect ECO 5424 because it is a prereq to ECO 5424

January 30, 1992  
Page 2

- i) Notice that catalog descriptions of MA & PhD programs must change to reflect the change of GEB 5805 to ECO 6805
  - j) Change to PhD program by addition of ECO 6806 to required courses
- 5) Changes to prerequisites for DIS courses resulting from the deletion of QMB 5600
- a) QMB 6755 - delete: QMB 5600/add: QMB 5200, MAN 5505 or Consent of instructor
  - b) QMB 6809 - delete: QMB 5600/add: Consent of instructor
  - c) QMB 6827 - delete: QMB 5600/add: Consent of instructor
  - d) QMB 6857 - delete: QMB 5600/add: QMB 6827 or equivalent
  - e) QMB 6877 - delete: QMB 5600/add: QMB 6827 or equivalent

WAM:GRADCURR/TXTSAH

cc: M. Flannery  
A. McCollough





ECONOMICS 54xx  
PUBLIC FINANCE

J. HAMILTON

*SYLLABUS*

Course Requirements: Grades will be based on the following, weighted equally:

Midterm Exam

Final Exam

Paper - A 5 to 10 page paper is also required. You are expected to analyze some subject in taxation, using the analytical tools learned in the course. You must clear your topic with me for acceptability by handing in a one or two page proposal by the first week in November. In this, you should list at least some reference material that you plan to use. The papers are due one week before the end of classes. I do not expect a summary of voluminous research, but ask you to examine thoughtfully the economics of your topic. You are encouraged to discuss your ideas with me before handing in a proposal.

TEXT: Joseph Stiglitz, The Economics of the Public Sector, 2nd edition (1988), Norton (S).

Alternate Text: Harvey Rosen, Public Finance, Irwin, 3rd edition (1991),(R)

Stiglitz' presentation differs from Rosen in some places. I will especially recommend a few chapters from Stiglitz. It is available in Library East.

SUPPLEMENT: Brown, Readings, Issues and Questions in Public Finance, Irwin (B)

This is a book of readings to accompany Rosen. I will announce in class which chapters you will be responsible for. Other chapters may be useful in inspiring paper topics.

DEPARTMENT OF ECONOMICS  
UNIVERSITY OF FLORIDA  
GAINESVILLE, FL 32611-2017

December 7, 1991

MEMORANDUM

To: Economics faculty

From: Nancy Horowitz and Larry Kenny *LK*

Subject: Special Public Finance Course for Masters of Accounting Students in Tax

Students in the Masters of Accounting program with a specialization in tax are required to take public finance. This program has grown over time, and there are now approximately 70 students a year who must take public finance. They have taken our undergraduate public finance course along with our majors. Because of the divergent interests of these two groups, this has not been a good solution. Last spring, we agreed to offer a special section of public finance for the MACC students which would focus more on tax issues; their students would be excluded from the more general public finance section for our majors. As long as we were doing this, it seemed reasonable to denote the fact that the MACC course is a course for graduate students with the appropriate course number and to denote its focus on tax issues with the appropriate description.

The description of the proposed course and a sample syllabus follow. We would like to have this course considered at a meeting on Thursday of the College Graduate Committee, so that all the economics course changes can be considered at the College Faculty meeting in January. Please let us know by Wednesday if you have any objections to the course or to the procedure being followed. If so, the consideration of this issue will be postponed until next semester.

COLLEGE OF BUSINESS ADMINISTRATION • UNIVERSITY OF FLORIDA • GAINESVILLE 32611-2017  
Department of Economics

304 • 392-0157  
Fax: 304 • 392-6250

November 13, 1991

TO: COLLEGE GRADUATE COMMITTEE

FROM: NANCY HOROWITZ, GRADUATE COORDINATOR

SUBJECT: CHANGES IN THE ECONOMICS PH.D. CORE CURRICULUM

Over the last several years, the college has emphasized the importance of improving the placement of our Ph.D. students. In an effort to improve the quality of our Ph.D. program, the Department of Economics has recently examined its CORE curriculum and recommends the following changes.

(1) Changes in GEB 5805

GEB 5805 - Current Title: Mathematical Methods and Their Applications to Business and Economic Analysis.

current prereqs., coreqs.: none

One of the ways we can improve the quality of the Ph.D. program is by giving students more practice in solving the constrained optimization and comparative statics problems that are pervasive in economics and related fields. A number of instructors of second year courses have found that our students' problem solving skills are weaker than they should be. The primary place students learn these skills is in GEB 5805, but progress in that course is hampered by students who are weak in calculus. The majority of students in GEB 5805 have recently had at least a year of calculus. Every year, however, there are several students who either never had calculus or had it so long ago that they have forgotten most of what they learned.

We are recommending that MAC 3233-4, Survey of Calculus I and II (3 credits each) or their equivalents be made prerequisites to GEB 5805 and that the level of the course be changed from 5000 to 6000 to more accurately reflect that it is an advanced graduate level course.

This course is primarily designed for students in the Ph.D. program in Economics and students in other departments who are taking or will take ECO 6115. The mathematical methods are techniques used in economics and the applications are in economics. We recommend that this be recognized by changing the prefix from GEB to ECO, the title to Mathematical Methods

(2) A TECHNIQUES COURSE

ECO 6806 - Advanced Mathematical Techniques and Applications to Economics, 3 credits

Prereqs.: ECO 6115, ECO 6206, ECO 6805 or permission of instructor.

Catalog Description: Applications of dynamic optimization and game theory to the modelling of economic problems.

To be offered Spring Semesters.

This course will be required of all Ph.D. students in Economics in their second semester.

Justification:

A techniques course covering more advanced techniques than those covered in GEB 5805 (ECO 6805) is part of the CORE at most good Ph.D. programs. Rather than continuing to try to squeeze these important topics into other CORE courses, we have decided that the important topics of dynamic optimization, game theory and economic modelling require considerable time for lectures, readings and practice in order to enable students to acquire some mastery of the subjects. Students need more exposure to translating problems into formal models and solving the models.

The Department's Graduate Committee polled the Faculty field instructors for information on how such a techniques course would improve their field courses and also on what changes they would like to see in the CORE curriculum. The results of this poll are attached.

Attachments: (1) New course form  
(2) Syllabus  
(3) Potential benefits memo

## (4) THE MACRO SEQUENCE

ECO 6206 - Macroeconomic Theory I, current prereqs., coreqs.: none and

ECO 6207 - Macroeconomic Theory II, current prereqs. : ECO 6206 and permission of department.

We recommend that ECO 5415, GEB 5805 and ECO 6115 or permission of instructor be added as corequisites to ECO 6206. Since ECO 6206 is a prerequisite to ECO 6207, these courses will be prerequisites to ECO 6207. In addition, we recommend that ECO 6806 (tentative number), the new techniques course be a corequisite to ECO 6207.

The material on time series and ad hoc rational expectations models is being moved from ECO 6207 to ECO 6206. Techniques of dynamic optimization are currently covered and used extensively in ECO 6207. Since dynamic optimization will be covered in the new techniques course, ECO 6806, we want to draw on it and avoid duplication of topics. Therefore, we want ECO 6806 to be a corequisite to ECO 6207. The time currently spent on dynamic optimization, time series, and ad hoc rational expectations models will provide more time to cover growth theory, real business cycles, and new Keynesian economics and to briefly discuss empirical papers.

- Attachments:** (1) Course change form for ECO 6206 changing description and corequisites.  
 (2) Course change form for ECO 6207 changing description, prerequisites, and corequisites.  
 (3) New syllabi

## (5) THE MATHEMATICAL STATISTICS/ECONOMETRICS CORE

ECO 5415 - Statistical Methods in Economics, current prereq.: STA 3024.

ECO 5424 - Econometrics Models and Methods, current prereq.: ECO 5415

We recommend adding GEB 5805 (ECO 6805) as a corequisite and MAC 3233-4 as prerequisites to ECO 5415. This will be consistent with prerequisites and corequisites to the other CORE courses.

- Attachment:** (1) Course change form for ECO 5415 changing prerequisites and corequisite.

## (6) CHANGES IN CATALOG DESCRIPTIONS OF PH.D. AND M.A. REQUIREMENTS

Both programs: Change GEB 5805 to ECO 6805.

Ph.D. program: Add ECO 6806 to required courses.

GEB 5805

Doug Waldo

Fall 1991

This is a course in the applications of mathematics to economics. Intuition, applications, and interpretations are emphasized. Students are expected to be familiar with elementary calculus and to have the ability to solve linear systems of equations.

COURSE MATERIALS:

Introductory Mathematical Economics by D. Wade Hands

Fundamental Methods of Mathematical Economics by Alpha Chiang  
(Optional)

Mathematics for Economists - Shaum's Outline Series by Edward Dowling (For students who need practice on simpler calculus and linear algebra problems)

PROBLEMS: The best way to learn math is to work problems. Each of the nine chapters in Hands has 15 - 25 problems which you should work. One third of your grade will be based on quizzes over these problems.

TESTS: The remaining two thirds of your grade will be based on the midterm and the final weighted equally.

COURSE OUTLINE:

08/26 - 09/04 (1.5 wks) Economic Applications of Univariate Calculus Marginal revenue, elasticity, univariate maximization, univariate concavity and convexity.

|         |                                       |
|---------|---------------------------------------|
| Hands   | Introduction, pp. 13 - 17<br>Chptr. 1 |
| Chiang  | Chptr. 7, pp. 155 - 169               |
| Dowling | Problems 3.6 - 3.24                   |

11/25 - 11/30 (1 wks) Integration

Hands Introduction pp. 17 - 20, Chapter 4  
Dowling Chapters 16 and 17

12/02 - 12/09 (1.5 wks) Differential Equations

Hands Chapters 5  
Dowling Chapter 18

12/17 Final - 5:30 - 7:30 pm in the regular classroom.

CE-037

FLORIDA DEPARTMENT OF EDUCATION  
STATEWIDE COURSE TERMINATION OR CHANGE TRANSMITTAL FORM  
(See instructions for completing Part I on reverse side.)

Form UCC2 Rev 91  
OAA# \_\_\_\_\_

PART I: TO BE COMPLETED BY THE UNIVERSITY

UNIVERSITY OF FLORIDA 001535 Economics  
University Institutional Code Department

Current SCNS Course Identification:

Discipline (SMA) \_\_\_ Prefix ECO Level 6 Course No. 115 Lab Code \_\_\_

University's Current Course Title: Microeconomic Theory I

TERMINATE CURRENT COURSE: Effective Term \_\_\_\_\_ (Skip to signatures)

COMPLETE ONLY THOSE PORTIONS WHERE CHANGES ARE REQUESTED:

Recommended Revised SCNS Course Identification:

Discipline (SMA) \_\_\_ Prefix \_\_\_ Level \_\_\_ Course No. \_\_\_ Lab Code \_\_\_ Contact Hr: Base \_\_\_  
OR Head Count \_\_\_

University's Revised Course Title: \_\_\_\_\_

College Credit: From \_\_\_\_\_ To \_\_\_\_\_

Explanation of Requested Change: \_\_\_\_\_

Revised Catalog Description (For graduate courses, attached brief syllabus, grading criteria, and reading list; for undergraduate and professional courses, attach revised outline or syllabus):  
\_\_\_\_\_  
\_\_\_\_\_

Prerequisites: Add \_\_\_\_\_ Delete \_\_\_\_\_  
Add ECO 6805 Delete GEB 5805

Intended Students (Check all that apply):

Undergraduate Nonmajors  Undergraduate Majors  Advanced Undergraduates  Graduate Students  
 Honor Students  Other (specify): \_\_\_\_\_

Category of Instruction:  Introductory  Intermediate  Advanced

Effective Term (first term change will be implemented) \_\_\_\_\_  
Signature of Department Chair \_\_\_\_\_ Date 1/18/91  
A. R. Horowitz Department Contact 392-0198 Phone No.

Signature of College Dean \_\_\_\_\_ Date \_\_\_\_\_

Signature of Graduate Dean (if applicable) \_\_\_\_\_ Date \_\_\_\_\_  
Signature of University Contact \_\_\_\_\_ Date \_\_\_\_\_

FOR SCNS USE ONLY

PART II: FACULTY DISCIPLINE COMMITTEE USE ONLY

APPROVED Prefix \_\_\_ Level \_\_\_ Course No. \_\_\_ Lab Code \_\_\_

If not the same as recommended by university, please explain: \_\_\_\_\_

SCNS Course Title (if new) \_\_\_\_\_

Decade Title (if new) \_\_\_\_\_ Century Title (if new) \_\_\_\_\_

Signature of Faculty Discipline Committee Representative \_\_\_\_\_

PART III: SCNS STAFF ONLY

Signature \_\_\_\_\_ Date Entered \_\_\_\_\_ Correspondence Number \_\_\_\_\_



"Theory, Experiments and Economics," by Vernon L. Smith, Journal of Economic Perspectives, Vol 3, Winter 1989, pp.151-169

"Organizations and Markets," by Herbert A. Simon, Journal of Economic Perspectives, Vol. 5, Spring 1991, pp. 25-44.

"Evolution, Learning, and Economic Behavior," Games and Economic Behavior, Vol. 3, 1991, pp. 3-24.

"Production, Information Costs, and Economic Organization," by Armen Alchian and Harold Demsetz, American Economic Review, Vol. 62, December 1972, pp. 777-795.

"The Costs and Benefits of Ownership: A Theory of Vertical and Lateral Integration," by Sanford J. Grossman and Oliver D. Hart, Journal of Political Economy, Vol. 94, No. 4, 1986, pp. 691-719.

"Toward an Economic Model of the Japanese Firm," by Masahiko Aoki, Journal of Economic Literature, Vol. 28, March 1990, pp. 1-27.

"Toward a Positive Theory of Consumer Choice," Journal of Economic Behavior and Organization, Vol. 1, 1980, 39-60.

## ECO 6116

## Microeconomic Theory II

Spring Semester 1992

Edward Zabel

316 Matherly Hall

Office Hours: 4:00-5:00, Monday and Wednesday

Required Texts

Henderson and Quandt, Microeconomic Theory: A Mathematical Approach, McGraw-Hill, 3rd Edition, 1980.

Russell and Wilkinson, Microeconomics: A Synthesis of Modern and Neoclassical Theory, John Wiley & Sons, 1979.

Varian, Microeconomic Analysis, Norton, 2nd Edition, 1984.

Recommended Texts

Quirk and Saposnik, Introduction to General Equilibrium Theory, McGraw-Hill, 1968.

Silberberg, The Structure of Economics: A Mathematical Analysis, McGraw-Hill, 1978.

Takayama, Mathematical Economics, Cambridge, 2nd Edition, 1985.  
(These books are on reserve at the Library East reserve desk).

The major objective of the course is the study of general equilibrium analysis and welfare economics with some introduction to uncertainty in economics and problems involving information.

Lectures develop economic theories and problems are assigned periodically to give the student practice in understanding and applying economic analysis.

A mid-term and a final examination will be given.

Performance on problems affect the final grade only in marginal cases, with the proviso that at least eight of the eleven problems must be submitted. Otherwise, the final grade will be reduced one grade level.

IV. Welfare Economics

## Required Readings ---

Russell and Wilkinson, Chapters 17 and 18  
 Henderson and Quandt, Chapter 11 (Section 11.1 - 11.6)  
 Varian, Chapter 5 (Sections 5.5 - 5.7), Chapter 7  
 (Sections 7.1 - 7.3)

## Optional Readings ---

Russell and Wilkinson, Chapters 19 and 20  
 Quirk and Saposnik, Chapter 4

V. Additional Topics in Welfare Economics

## Required Readings ---

Henderson and Quandt, Chapter 11 (Section 11.7)  
 Silberberg, Chapter 17 (Sections 17.5, 17.8)

## Optional Readings ---

Lipsey and Lancaster, Review of Economic Studies, 1956  
 Coase, Journal of Law and Economics, 1960  
 Coase, Journal of Political Economy, 1954

VI. Imperfect Competition and General Equilibrium

## Required Readings ---

Krugman, "Increasing Returns, Monopolistic Competition  
 and International Trade," Journal of International  
 Economics, 1979.

## Optional Readings ---

Roberts and Sonnenschein, Econometrica, 1977

VII. Uncertainty and Information Economics

## Required Readings ---

Henderson and Quandt, Chapter 3 (Sections 3.8 - 3.9)  
 Varian, Chapter 3 (Sections 3.18 - 3.20), Chapter 8

VII. Uncertainty and Information Economics. About two weeks.

Measure of risk aversion. Stochastic dominance. Simple portfolio problems. Moral hazard. Adverse selection. Signaling.

Texts: W. Branson, Macroeconomic Theory and Policy; 3rd Edition  
 T. Sargent, Macroeconomic Theory; 2nd Edition

### 1. Classical Models

Branson 1, 2, 6, 23, 24; Sargent 1

### 2. Keynesian Models

Branson 3, 4, 5, 7, 8, 9, 16; Sargent 2

Text book Keynesian and Classical models are presented in 4 weeks. A homework assignment requiring the calculation of comparative static "multipliers" is included. This should be a review of intermediate macroeconomic theory with a more mathematical approach. For many students it seems not to be review.

### 3. Consumption

Branson 12; Sargent 7 (pp. 141-150). 12

R. Barro, "Are Government Bonds Net Wealth?" J.P.E. November/December 1974

A. Blinder, "Temporary Income, Taxes and Consumer Spending," J.P.E.  
 February 1981

G. Carlino, "Interest Rate Effects and Intertemporal Consumption," J.M.E.  
 March 1982

P. Evans, "Do Large Deficits Produce High Interest Rates?" A.E.R. March 1985

M. Feldstein, "Social Security, Induced Retirement, and Aggregate Capital  
 Accumulation," J.P.E. September/October 1974

M. Flavin, "The Adjustment of Consumption to Changing Expectations about  
 Future Income," J.P.E. October 1981

M. Friedman, A Theory of the Consumption Function 1957 Chapter 3

R. Hall, "Stochastic Implications of the Life-Cycle-Permanent Income  
 Hypothesis: Theory and Evidence," J.P.E. December 1978

F. Modigliani and R. Brumberg, "Utility and the Consumption Function: An  
 Interpretation of Cross-section Data," in Post-Keynesian Economics,  
 K. Kurihara (ed) 1954

C. Nelson, Applied Time Series Analysis, 1, 2, 3, 4, 5, 6.

C. Nelson and C. Plosser, "Trends and Random Walks in macroeconomic Time  
 Series," J.M.E. September 1982

J. Stock and M. Watson, "Variable Trends in Economic Time Series," J.E.P.  
 Summer 1988

The consumption section is large. It will take about four weeks. The life-cycle and permanent income models are covered in some detail. The Ricardian controversy is addressed and section of the Barro article are covered. There is some material on time series modelling. ARMA models are presented in a cookbook fashion. Optimal forecasts based on such models are derived. Friedman's econometric work is interpreted in a rational expectations framework within the context of an MA(1) model. The concept of stationarity is introduced. Rational expectations, as tested in the Hall and Flavin models is interpreted in light of the optimal forecast results derived earlier.

supplement to J.M.E. 1977

- N. Mankiw, "Real Business Cycles: A New Keynesian Perspective," J.E.P. Summer 1989
- F. Modigliani, "The Monetarist Controversy or, Should We Forsake Stabilization Policy?" A.E.R. March 1977
- C. Plosser, "Understanding Real Business Cycles," J.E.P. Summer 1989

Three weeks. The Modigliani - Friedman discussion is emphasized. The Barro article on monetary policy is emphasized. This serves as an excuse to examine solutions to ad hoc rational expectations models. Real business cycles are mentioned but not given rigorous treatment.

|          |                                       |
|----------|---------------------------------------|
| A.E.R.   | American Economic Review              |
| B.P.E.A. | Brookings Papers on Economic Activity |
| J.E.L.   | Journal of Economic Literature        |
| J.E.P.   | Journal of Economic Perspectives      |
| J.M.C.B. | Journal of Money, Credit and Banking  |
| J.M.E.   | Journal of Monetary Economics         |
| J.P.E.   | Journal of Political Economy          |
| Q.J.E.   | Quarterly Journal of Economics        |
| REStat   | Review of Economics and Statistics    |
| REStud   | Review of Economic Studies            |

ECO 6207  
Proposed  
Doug Waldo

The purpose of this course is to introduce dynamic and/or stochastic macroeconomic models and use them to study economic growth and business cycles.

TEXTS

Stephen McCafferty, Macroeconomic Theory, 1990

Olivier Jean Blanchard and Stanley Fischer, Lectures on Macroeconomics 1989

BACKGROUND You should have no trouble whatsoever (1) solving linear systems of equations, (2) solving constrained optimization problems, and (3) taking expected values, variances, and covariances of linear functions of random variables. These topics were covered in GEB 5805 and ECO 5415. To provide perspective, you should be familiar with the static classical and Keynesian models as presented, for example, in Branson. These topics were covered in ECO6206.

TENTATIVE SCHEDULE

I. Capital Accumulation and Economic Growth (5 weeks) Among the earliest dynamic models were models of the process of capital accumulation and economic growth.

Ia. The Solow Model The Solow model is the simplest possible model of economic growth and is a useful introduction to more advanced models.

Branson, Chptr 24 (neoclassical growth) and 26 thru Phelps's Golden rule.

Ib. The Ramsey/Cass/Koopmans Model The shortcoming of the Solow model is the oversimplified view of the consumption-savings decision. The Ramsey model remedies that shortcoming. In the Ramsey model an infinitely lived family chooses a consumption-savings path

## IIc. (cont.)

King, Plosser, Stock, and Watson, " Stochastic Trends and Economic Fluctuations," American Economic Review, September 1991.

IIId. Fiscal Policy in Equilibrium Models

Aschauer, "The Equilibrium Approach to Fiscal Policy," Journal of Money Credit and Banking, February 1988.

III. New Keynesian Macro Models (5 weeks) Keynesian efforts to improve the micro foundations of their models.IIIa. Efficiency Wages

Blanchard and Fischer, Chapter 9.4  
McCafferty, Chapter 16.1

IIIb. Menu Costs and Price Setters

McCafferty, Chapter 16.2

Akerloff and Yellen, "A Near Rational Model of the Business Cycle with Wage and Price Inertia," Quarterly Journal of Economics 1985

Ball, Mankiw, and Romer, "The New Keynesian Economics and the Output-Inflation Tradeoff," Brookings Papers on Economic Activity 1988



ECO 6806 - ADVANCED MATHEMATICAL TECHNIQUES  
AND APPLICATIONS TO ECONOMICS

PROPOSED SYLLABUS

PURPOSE - The purpose of this course is to teach students how to use mathematics to model economic problems. The emphasis is on applications, not the derivation of the mathematics.

POSSIBLE TEXTS

Dynamic Optimization: The Calculus of Variations and Optimal Control in Economics and Management Morton I. Kamien and Nancy L. Schwartz, North Holland.

A Course in Microeconomic Theory David M. Kreps, Princeton University Press

Game Theory and Economic Modelling David M. Kreps, Oxford Press

PART I OPTIMAL CONTROL (7 weeks) - this is the dominant technique for optimization in continuous time.

IA. SUGGESTED TOPICS - these cover the simplest possible optimal control problem and extensions to the case of infinite horizons. Page numbers are from Kamien and Schwarz

1. Introduction, pp. 111 - 113
2. Simplest Problem - Necessary Conditions, pp.114 - 121
3. Sufficiency, pp. 122 - 124
4. Interpretations, pp. 125 - 129
5. Several Variables, pp. 130 - 134
6. Discounting, Current Values, Comparative Dynamics, pp. 151 - 159
7. Equilibria in Infinite Horizon Problems, pp. 159 - 169

IB. APPLICATIONS - simple examples and applications appear in almost every section of Kamien and Schwartz. If more elaborate examples are desired, there are a number of possibilities.

Cass, David, "Optimum Economic Growth in an Aggregative Model of Capital Accumulation," Review of Economics Studies 32 (1965): 233- 240.

Lucas, Robert E., "On the Mechanics of Economic Development," Journal of Monetary Economics 22 (1988): 3-42.

Shavell, S, "Risk Sharing and Incentives in the Principal Agent Relationship," Bell Journal of Economics (1979): 55-73.

DEPARTMENT OF ECONOMICS  
UNIVERSITY OF FLORIDA  
GAINESVILLE, FL 32611-2017

October 29, 1991

MEMORANDUM

TO: Economics Faculty

FROM: Graduate Curriculum Committee

SUBJECT: Potential benefits of the "techniques" course.

An earlier memo requested comments on a "techniques" course covering game theory and optimal control. Based on the responses to that memo it appears that a "techniques" course would benefit a significant number of fields.

ECONOMIC DEVELOPMENT

Elias Dinopoulos - I feel that students taking economic development and international trade do not have adequate problem solving experience. A new course teaching modeling techniques is definitely need. Optimal control is used in economic development growth models. Information economics and game theory are used to study interlinked markets and sharecropping. General equilibrium with imperfect competition is used in issues of trade and development and technology transfer.

ECONOMIC THEORY

Steve Slutsky - Since the students have had very little game theory I am forced to start ECO 6405 at too basic a level.

Ed Zabel - I feel it would be useful for the students to have some experience with dynamic optimization models.

INDUSTRIAL ORGANIZATION

Rich Romano - Dynamic optimization would be useful for the study of durable goods monopoly and second degree price discrimination over a continuum of consumers. Knowledge of expected utility theory is particularly important for the study of risk sharing in incentive theory. Game theory permeates the study of industrial organization. Of course all of these techniques could be taught along with the presentation of the economics. However this severely limits the feasible coverage in the course. Also if students had a stronger grasp of these techniques, industrial organization topics could be treated in more depth.



Sharon

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-----ADDITIONAL AGENDA ITEMS-----

GRADUATE FACULTY MEETING

February 14, 1992

2:00 - 4:00 p.m.

102 BUS

I. MBA COMMITTEE

Chris James

Changes described in memo from Roy Crum dated 12/4//91

a) New Courses

ECO 6957

FIN 6957

GEB 6957

MAN 6957

MAR 6957

QMB 6957

REE 6957

RMI 6957

BUL 6957

ACG 6957

b) Deletion of Courses

FIN 6826

FIN 6816

(See instructions for completing Part I on reverse side.)

**PART I: TO BE COMPLETED BY UNIVERSITY**

UNIVERSITY OF FLORIDA \_\_\_\_\_ 0 0 \_\_\_\_\_ 001535 \_\_\_\_\_ Business Administration  
 University \_\_\_\_\_ County Code Institutional Code Department

Recommended SCNS Course Identification:  
 Discipline (SMA) \_\_\_\_\_ Prefix GEB Level 6 Course No. 957 Lab Code \_\_\_\_\_ Contact Hr\* Base \_\_\_\_\_  
 OR Head Count 1.00

University's Course Title: International Studies in Business

Amount of College Credit: Var If variable or repeatable credit, min 1 and max 4 per semester; total 12  
 repeated credits allowed.

Catalog Description (For graduate courses, attach brief syllabus, grading criteria, and reading list; for  
 undergraduate and professional courses, attach syllabus or outline): TOPICS WILL VARY  
This course is designed to provide a mechanism by which formal coursework taken at a  
foreign university as part of an approved study abroad program can be recorded on the  
transcript and counted toward graduation at the University of Florida.

Prerequisites: Admission to an approved study abroad program and permission of the Dept.  
 Corequisites: None

Intended Students (Check all that apply):  
 Undergraduate Nonmajors  Undergraduate Majors  Advanced Undergraduates  Graduate Students  
 Honor Students  Other (specify): \_\_\_\_\_

Category of Instruction:  Introductory  Intermediate  Advanced

List the department chair (by name & dept) with whom you have cleared any question of possible duplication or  
 infringement by this course. Each such chair must either sign the syllabus requested or indicate no concern  
 over possible infringement or make comments. Any lack of comments or signatures must be explained.

Spring 1992 \_\_\_\_\_ T. Craig Tapley \_\_\_\_\_ 392-0165  
 Effective Term (first term course will be offered) Department Contact Phone No.

Signature of Department Chair \_\_\_\_\_ Date \_\_\_\_\_ Signature of College Dean \_\_\_\_\_ Date \_\_\_\_\_  
 Signature of Graduate Dean \_\_\_\_\_ Date \_\_\_\_\_ Signature of University Contact \_\_\_\_\_ Date \_\_\_\_\_  
 (if applicable)

\*Example formulas on reverse side.

FOR SCNS USE ONLY

**PART II: FACULTY DISCIPLINE COMMITTEE USE**

APPROVED Prefix \_\_\_\_\_ Level \_\_\_\_\_ Course No. \_\_\_\_\_ Lab Code \_\_\_\_\_  
 If not the same as recommended by institution, please explain: \_\_\_\_\_

SCNS Course Title (if new) \_\_\_\_\_  
 Decade Title (if new) \_\_\_\_\_ Century Title (if new) \_\_\_\_\_

Signature of Faculty Discipline Committee Representative \_\_\_\_\_ Date \_\_\_\_\_

**PART III: SCNS STAFF USE ONLY**

Signature \_\_\_\_\_ Date Entered \_\_\_\_\_ Correspondence Number \_\_\_\_\_



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### GENERAL FACULTY MEETING February 14, 1992

#### MINUTES

The meeting was called to order by Dean John Kraft at 2:05 p.m.

1. MINUTES

Minutes from the November 14, 1991, meeting were approved as distributed.

2. UNDERGRADUATE COMMITTEE

Wes Hutchinson reported that the Undergraduate Committee has approved the following and would like for the faculty to vote on the two items:

-Establishment of new course in Marketing. MAR 2290. A motion was made, seconded and passed to approve the establishment of the new course.

-Establishment of new Honors Thesis Courses. FIN 4970; MAN 4970; MAR 4970; QMB 4970; REE 4970; RMI 4970. A motion was made, seconded and passed to approve the establishment of the new courses.

3. BUDGET UPDATE

Dean Kraft reported on the current budget situation. The budget cuts for last year, 91/92, and this year, 92/93, have been cut a total of 1.8 million. The current cuts will come from OPS and expense. Last year the cuts came from faculty rate. However, the greatest flexibility now can be achieved by cutting the OPS and expense. Dean Kraft then went over the College's use of funds for the 91/92 and 92/93 budgets. He noted that he has met with the departmental Chairs and gone over this plan. This is if the reality budget passes and there are no further budget cuts. He then went over the impact on our course offerings. He stated that we are going to use funds from people on leave of absence and sabbatical.

4. INTERNATIONAL PROGRAMS

Since Roy Crum was out of town the International Programs report was postponed.

February 27, 1992  
Page 2

5. MBA PROGRAM

Steve DeKrey distributed a draft proposal on an MBA for Managers. Chris James went over the proposal. He reported on the funding options available through DOCE for funding the program. After some discussion it was noted that this is still a draft proposal and the MBA Curriculum Committee will keep the faculty apprised of the progress.

6. DEAN'S REPORT

Dean Kraft reported on the Colleges debt to the Foundation. We have made no payments since February, 1990. We currently have a proposal submitted in which we will pay 7 annual payments to the Foundation beginning December, 1992. We would pay no interest. This proposal is being considered by the Foundation Financial Committee this afternoon.

The second issue reported on was the GRK, Inc. properties. The negotiations with the Foundation on this property are progressing however, they are currently on hold as DOCE is interested in buying the property.

7. OTHER BUSINESS

There was no other business to report.

A motion was made and passed unanimously to adjourn the meeting at 2:40 p.m.

MIN2/14.MTG/TXTRCM

cc: Sharon Haughton