

University of Oregon

Department of Economics

Course: EC 370, Money and Banking

Term Info: Winter 2020

Class Time: TR 8:30-9:50am

Location: Knight Library 101

CRN: 22088

Instructor Information

Instructor: Thomas Stockwell

Office Hours: TR 10-11am, also by appointment, located in PLC 417

Email: tstockwe@uoregon.edu

Textbook

The textbook for this course is Frederic Mishkin *The Economics of Money, Banking, and Financial Markets*, 11th edition (Pearson). Lectures will closely follow the book in most cases so I do encourage you to purchase it. Older editions of the textbook are acceptable as are any electronic versions.

Course Description

The social sciences concern themselves with the interface of the individual and society. In economics, the focus is on the means a society employs to allocate scarce resource among competing uses. Financial markets, financial instruments, and financial institutions are central elements of the allocation process in all market economies, and fulfill purposes that must be served in any economic system. Money and Banking provides a basis for understanding the purposes served by financial systems. It introduces students to the variety of financial instruments characteristic of modern economies, the determinants of asset prices and market interest rates, and the causes and consequences of crises and regulation in financial markets. The class also examines the concept of money, the structure and role of central banks, and the conduct of monetary policy.

Prerequisites

EC 201 (Introduction to Microeconomics) and EC 202 (Introduction to Macroeconomics) are the prerequisites for this course.

Lectures

Attending lectures is not required but it is strongly encouraged. If you do miss a class, you are responsible for learning the material covered that day and any announcements made on your own. Please make every effort to show up on time and if you do need to leave early

show your classmates the courtesy of being as unobtrusive as possible.

Smartphones, tablets, and computers are allowed in lecture providing that they are kept on silent and are not being a distraction to your classmates. Please make every effort to not distract those who are trying to pay attention.

Grading

Your grade in this course will be based on three homework assignments, two midterm exams, and one final exam.

Component	Percent
Homework	15%
Midterm 1	25%
Midterm 2	25%
Final	35%
Total:	100%

Exams

This class has three exams, two midterms and a final. You are required to bring your own pencil and eraser. You are also permitted to bring your own non scientific calculator. If you do not have one, a simple calculator will be provided for you to use on the exam. Please note that supply of these calculators is limited and there is no guarantee that I can provide one for everybody in a class this large.

There will be no makeup exams given in this class. If you miss one of the midterms for a valid reason (as determined by the instructor), you will have the option to put the weight of the midterm missed on the other midterm exam or the final exam, provided that you have documentation supporting your reason for missing.

Re-grading Requests

If you notice an arithmetic error in the scoring of your exam, please point this out to me as quickly as possible and the correction will be made.

For any other reconsideration of a grade on a midterm, you must submit a formal re-grade request explaining why you believe your answer(s) should be given more points. This request must be made in writing and given to me no later than one week after the midterm is returned. Note that the entire midterm will be subject to re-grading, so overall you may gain or lose points if you request a re-grade.

The final exam will never be subject to a regrade.

Homework

I will assign a homework assignment prior to each exam. These questions will be based on the material we covered in the lecture and will be similar to the ones you will see on the exams. Practice is very important to getting a good grade in this class so I strongly urge you to do the homework questions. Due to the class size being so large I will only accept hard copies of the homework answers, no email submissions will be graded. If you are not going to be attending class on the date that the homework is due, you can give your homework to a friend to hand in or slide it under the door of my office.

Feel free to work in groups on the homework assignments but everyone is expected to hand in their own copy of the assignment. Make sure that you understand the material on the homework and do not just copy another students work as you are responsible for that material on the exam.

Late homeworks will be given a 20% score deduction for each day that they are late.

Canvas

All course materials will be distributed through the Canvas course website, which can be accessed at <https://canvas.uoregon.edu/>. Announcements made on Canvas should be considered modifications to this syllabus. Make sure you check this regularly throughout the term.

Academic Dishonesty

In every component of this course you are required to do your own work. If you are caught cheating on any exam then you will be given a grade of zero on that exam. Cheating will not be tolerated in this class.

Accessibility and Special Accommodations

The University of Oregon is working to create inclusive learning environments. Please notify me if there are any aspects of this course that result in disability-related barriers to your participation. For more information or assistance, contact the Accessible Education Center: 164 Oregon Hall, (541)-346-1155, aec.uoregon.edu.

If you require special accommodations of any kind due to a documented disability you will need to provide a letter from the Accessible Education Center verifying your need and detailing the appropriate accommodations. So that I can plan for any necessary accommodations please get this letter to me by the end of the first week of classes.

If your accommodations involve any proctoring of exams at the AEC you will be responsible for scheduling those exams with sufficient anticipation with the AEC. Keep in mind that proctored midterms need to be scheduled at least seven days in advance and that proctored final exams need to be scheduled by 5:00pm of the Friday during week 8 of the course.

Tentative Course Outline

The tentative list of topics that this course will follow is listed below. Lectures will closely follow the textbook so you should read the corresponding chapter of the text before it is covered in lecture.

Topic	Chapter
Why Study Money, Banking, and Financial Markets	Chapter 1
An Overview of the Financial System	Chapter 2
What is Money?	Chapter 3
Understanding Interest Rates	Chapter 4
Behavior of Interest Rates	Chapter 5
An Economic Analysis of Financial Structure	Chapter 8
Financial Institutions	Chapter 9
Banking and the Management of Financial Institutions	Chapter 10
Central Banks and the Federal Reserve System	Chapter 13
The Money Supply Process	Chapter 14
The Tools of Monetary Policy	Chapter 15
The Conduct of Monetary Policy	Chapter 16
Economic Analysis of Financial Regulation*	Chapter 11
Banking Industry: Structure and Competition*	Chapter 12

Notes: Topics with a "*" will be covered if time permits.

Important Dates

Make sure you are aware of the dates that quizzes are due and what days the exams are on.

Date	Event
1/28	Homework 1 due
1/30	Midterm Exam 1
2/18	Homework 2 due
2/20	Midterm Exam 2
3/10	Homework 3 due
3/19	Final Exam - 8-10am

NOTICE: The final exam will be held in Chapman Hall 220.