University of Colorado at Boulder
Department of Economics

ECON 4111 - Money and Banking Systems
Fall 1995

Professor: Ken Beauchemin
Office: 4B Economics, 2-2651
Office Hours: MTW, 11:00 - 11:50


A subscription to the Wall Street Journal is recommended but not required.

Course Objective

This course studies the economic behavior of individuals and various institutions in financial markets. Our primary goal is to apply economic principles to understand these market settings. The course also seeks to understand the role of government in financial markets and its influence over macroeconomic outcomes. As a practical endeavor, we will learn to interpret and evaluate the daily reporting of financial market events.

Course Requirements

The requirements for the course consist of two midterms, a comprehensive final, and a course project. The midterms will be held in class on Friday, October 6th and Friday, November 17th. The final exam is scheduled by the College of Arts and Sciences for Monday, December 18th from 11:30 AM to 2:30 PM. All students must write the examinations at the scheduled time -- no exceptions.

A course project is also required. In brief, each student must write a five-page "executive summary" of developments in the world financial community during one of three consecutive weeks, beginning with the week of Monday, October 23rd. Each student is free to choose the week they wish to analyze. The projects are due in class on Friday, December 1st. Details regarding the content and style of the report are forthcoming.

Each midterm and the course project is individually worth 20 'points'; the final exam is worth 40 points. Your final letter grade will be determined by total points earned according to the following scheme: 85-100 points (A), 75-84 (B), 65-74 (C), 55-64 (D), 54 and below (F). Plus and minus grades will be awarded at my discretion.
Course Outline

The course is organized according to the following outline:

I. Introduction and Overview (Chs. 1-3)

II. Financial Markets (Chs. 4-8, 29)

III. The Institutional Perspective (Chs. 9-12)

IV. The Federal Reserve System and the Money Supply (Chs. 15-22)