Instructor: Jill Holman
Office: Econ 12a
Office Hours: 2:30 p.m. - 3:15 p.m. daily and by appointment
Phone: 492-6770

COURSE CONTENT

We will explore money, financial institutions, and the monetary-financial system in the U.S. economy. Emphasis will be placed on commercial banking, the Federal Reserve System, the demand and supply of financial assets, interest rate determination, and the role of money in the Classical, Monetarist, Keynesian, and Neo-Keynesian models.

READINGS

Required Text:


I have also ordered the study-guide to accompany Mishkin. I urge you to purchase this guide, however, it is optional.

Articles:

I will also assign certain articles to be read throughout the semester. The majority of these readings can be found in:


which can be purchased from either of the two C. U. bookstores.

GRADES

The grading policy is as follows:

1st Exam 40% (tentatively June 19th)
2nd Exam 40% (July 7th)
Article Collection 20% (due July 7th)

Tests: The format of the tests will be essay/short-answer. The second exam will cover the second half of the class. In other words, the test will not be cumulative.
Article Collection: I would like you to collect 15 articles from the Wall Street Journal (or other appropriate sources) that cover topics which relate to this class. You should write a brief summary (1 or 2 paragraphs) of each of the articles. I would prefer that you turn in your articles and summaries every Friday. However, I will allow you to turn in the assignment on July 7th. Extra credit will be given to those of you who turn in the assignment on Fridays.

TENTATIVE COURSE OUTLINE

Topic

I. Overview of Money and the Financial System

II. Interest Rates (Read on your own)

III. Saving, Investment, and Interest Rate Determination

IV. Interest Rates and Exchange Rates

V. Commercial Banking

EXAM 1

V. Central Banking

VI. The Demand for Money

VII. The Role of Money in Macroeconomic Theory

EXAM 2

Readings

Mishkin 1-2
Foley (248)
Baltensperger (97)
B. Friedman (72)

Mishkin 3

Mishkin 5
Tsiang (190)

Mishkin 7

Mishkin 12, 14, and 15

Mishkin 19-22
Brunner (263)
Brunner (175)
Goodhart (88)
Axilrod and Wallich (294)

Class Notes
Goldfeld (131)
McCallum and Goodfriend (117)

Class Notes and Handouts
Friedman (1)
Bordo (151)
Cagan (195)
Howitt (244)
Patinkin (273)