

UNIVERSITY OF COLORADO
Money and Banking: ECON4111-001
Fall 2016

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Office Hours: Tuesday and Thursday 11:30- 12:20 and 3:20 – 3:45.

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[Web Link for Class Outline](#)

COURSE DESCRIPTION

Money and banking emphasizes the financial system, financial institutions, central banks, monetary policy and financial stability. The course studies the role that money and interest rates play in the operation of the U.S. economy. The aim is to give students an overview of the U.S. financial system and an understanding of the theory and practice of monetary policy. The course looks at the changing U.S. financial environment and the influence of monetary policy on interest rates, prices and the overall level of economic activity.

A good strategy for the course is to be sure to understand the basic concepts and how they relate to each other, since this knowledge will be the primary determinant of your class grade. To get the most out of this course, try to relate actual economic events to what you are learning. As often as possible, class discussion will expand on theoretical topics by relating actual events to the theories presented in class. It is hoped that the students will make a better linkage between actual events and a hypothetical approach. Students are encouraged to contribute their ideas and opinions on these subjects.

Course Materials

Textbook: The course textbook is in an electronic format (ePub) that can be read using a Web browser, iPad or other electronic reading device.

The book is sold through Google Play and click on the title here to purchase the book.

[Financial Markets and the Economy](#) by Jay Kaplan

I have written this book with the goal of providing a low-cost, but quality alternative to the typical course textbook.

To read the book with a Web browser, you will need to download a free ePub reader. For example if you are using Chrome follow these steps:

- On the left side of the bookmarks bar, click on the **Apps** button.
- Install the free App: **MagicScroll eBook Reader**
- Start the eBook reader and select the textbook to read.

Grading

There will be 3 quizzes given online and 3 exams given during the semester. Quizzes will represent 33% of the class grade and exams the remaining 67%.

For your final grade, the grading scale is:

- 92.00%+ = A
- 90.00% - 91.99% = A-
- 88.00% - 89.99% = B+
- 82.00% - 87.99% = B
- 80.00% - 81.99% = B-
- 78.00% - 79.99% = C+
- 60.00% - 77.99% = C
- below 60% = F

Exam Schedule

Exam 1: Thursday, October 6

Exam 2: Tuesday Nov. 15

Final Exam: Monday December 12 (1:30pm - 4:00)

Exams will be given in the classroom.

Important Dates

- November 21 – November 27: Fall Break
- December 9 - Last day of classes

The Fine Print

(1) The Boulder Provost's Disability Task Force recommended syllabus statement:

If you qualify for accommodations because of a disability, please submit to your professor a letter from Disability Services in a timely manner (for exam accommodations provide your letter at least one week prior to the exam) so that your needs can be addressed. Disability Services determines accommodations based on documented disabilities. Contact Disability Services at 303-492-8671 or by e-mail at dsinfo@colorado.edu.

If you have a temporary medical condition or injury, see Temporary Medical Conditions: Injuries, Surgeries, and Illnesses guidelines under Quick Links at Disability Services website and discuss your needs with your professor.

(2) Campus policy regarding religious observances states that faculty must make reasonable accommodation for them and in so doing, be careful not to inhibit or penalize those students who are exercising their rights to religious observance. Faculty should be aware that a given religious holiday may be observed with very different levels of attentiveness by different members of the same religious group and thus may require careful consideration to the particulars of each individual case. See http://www.colorado.edu/policies/fac_relig.html

If you have questions about providing students with religious accommodations, please contact the Office of Discrimination and Harassment at 303-492-2797.

A comprehensive calendar of the religious holidays most commonly observed by CU-Boulder students is at <http://www.interfaithcalendar.org/>

Campus policy regarding religious observances requires that faculty make every effort to deal reasonably and fairly with all students who, because of religious obligations, have conflicts with scheduled exams, assignments or required attendance. In this class, {{insert your procedures here}}
See full details at http://www.colorado.edu/policies/fac_relig.html

(3) Faculty and students should be aware of the campus "Classroom Behavior" policy at <http://www.colorado.edu/policies/classbehavior.html> as well as faculty rights and responsibilities listed at http://www.colorado.edu/FacultyStaff/faculty-booklet.html#Part_1 These documents describe examples of unacceptable classroom behavior and provide information on how to handle such circumstances should they arise. Faculty are encouraged to address the issue of classroom behavior in the syllabus.

Students and faculty each have responsibility for maintaining an appropriate learning environment. Those who fail to adhere to such behavioral standards may be subject to discipline. Professional courtesy and sensitivity are especially

important with respect to individuals and topics dealing with differences of race, color, culture, religion, creed, politics, veteran's status, sexual orientation, gender, gender identity and gender expression, age, disability, and nationalities. Class rosters are provided to the instructor with the student's legal name. I will gladly honor your request to address you by an alternate name or gender pronoun. Please advise me of this preference early in the semester so that I may make appropriate changes to my records. See policies at <http://www.colorado.edu/policies/classbehavior.html> and at http://www.colorado.edu/studentaffairs/judicialaffairs/code.html#student_code

(4) The Office of Discrimination and Harassment recommends the following syllabus statement:

The University of Colorado Boulder (CU-Boulder) is committed to maintaining a positive learning, working, and living environment. The University of Colorado does not discriminate on the basis of race, color, national origin, sex, age, disability, creed, religion, sexual orientation, or veteran status in admission and access to, and treatment and employment in, its educational programs and activities. (Regent Law, Article 10, amended 11/8/2001). CU-Boulder will not tolerate acts of discrimination or harassment based upon Protected Classes or related retaliation against or by any employee or student. For purposes of this CU-Boulder policy, "Protected Classes" refers to race, color, national origin, sex, pregnancy, age, disability, creed, religion, sexual orientation, gender identity, gender expression, or veteran status. Individuals who believe they have been discriminated against should contact the Office of Discrimination and Harassment (ODH) at 303-492-2127 or the Office of Student Conduct (OSC) at 303-492-5550. Information about the ODH, the above referenced policies, and the campus resources available to assist individuals regarding discrimination or harassment can be obtained at <http://www.colorado.edu/odh>

(5) The Boulder campus has a student Honor Code and individual faculty members are expected to familiarize themselves with its tenets and follow the approved procedures should violations be perceived. The Honor Council recommended syllabus statement:

All students of the University of Colorado at Boulder are responsible for knowing and adhering to the academic integrity policy of this institution. Violations of this policy may include: cheating, plagiarism, aid of academic dishonesty, fabrication, lying, bribery, and threatening behavior. All incidents of academic misconduct shall be reported to the Honor Code Council (honor@colorado.edu; 303-735-2273). Students who are found to be in violation of the academic integrity policy will be subject to both academic sanctions from the faculty member and non-academic sanctions (including but not limited to university probation, suspension, or expulsion). Other information on the Honor

Code can be found at <http://www.colorado.edu/policies/honor.html> and at <http://www.colorado.edu/academics/honorcode/>

Money and Banking

Fall 2016

| Week | Topic |
|-------------------|---|
| #1 - August 22 | Global Economic Growth The Business Cycle |
| #2 - August 29 | The Business Cycle |
| #3 - September 5 | The Financial System |
| #4 - September 12 | Determining Interest Rates |
| #5 - September 19 | Risk and Term Structure of Interest Rates |
| #6 - September 26 | The Open Economy and Exchange Rates The Euro |
| #7 - October 3 | The Stock Market |
| #8 - October 10 | Derivatives |
| #9 - October 17 | Banking and Financial Institutions |
| #10 - October 24 | Banking Regulation and Central Banking |
| #11 - October 31 | Monetary Policy |
| #12 - November 7 | Tax Policy |
| #13 - November 14 | The Financial Crisis |
| November 21 | Thanksgiving Break |
| #14 - November 28 | Determination of Forward Exchange Rates |
| #15 - December 5 | |