

ECON 305 01 Money and Financial Institutions

Fall 2021, College of Charleston
Department of Economics

Professor: Norman Maynard	Email: maynardna@cofc.edu (expect responses within 48 hours)
Office: Beatty 429	Phone: 843-953-8104
Class Location: Tate 131*	Class Meeting Hours: 12:00-12:50pm MWF
Prerequisites: ECON 200, ECON 201, MATH 104 or 250, and MATH 116 or 120; or permission of the instructor	Zoom Office Hours: MW 2pm-4pm
*Students are required to wear masks during all in-person class meetings.	

COURSE DETAILS:

Catalog Description: An introduction to the operations, mechanics, and structure of the U.S. financial system, with emphasis on its institutions, markets, and instruments, as well as the Federal Reserve System and monetary policy and the effects of policy on the economy and on financial institutions.

Course Objectives: The class is designed to provide students with a set of tools for understanding how financial institutions, markets, and instruments are used to address problems of time, information, and risk. The class will emphasize the analysis of the financial economy through five different perspectives: Money & Banking, The Finance View, The Economics View, The Accounting View, and Applications.

Required Materials: OAKS, including Gradebook, will be used for this course throughout the semester to provide the syllabus and class materials and grades for each assignment, which will be regularly posted. Students will need access to a computer or mobile device with high-speed internet access in this course. Access to MS Excel, Google Sheets, or a high-quality financial calculator with which the student is familiar will also be required for some assignments. We will be using chapters from the following books:

- Lewis, Michael, *The Big Short: Inside the Doomsday Machine*, W.W. Norton & Co. ISBN: 978-0-3933-3882-9.
- Mishkin, Frederic, *The Economics of Money, Banking, and Financial Markets: Business School Edition*, 4th ed., Pearson. ISBN: 978-0-1338-5980-5. (note that the 5th edition is also available, and students are free to use other editions with the understanding that the 4th edition will be the official edition for grading purposes)

Additional material, such as additional readings (including online appendices) or other media will be provided via OAKS and may also constitute testable material. Students will be informed through OAKS announcements when any material beyond the assigned book chapters are testable.

Class Format: Class meetings will be held in-person. Students are required to wear masks over the nose & mouth while in class. The course will automatically convert to synchronous online via Zoom if any of the following occur at any point during the semester: the professor is unable to be present in-class but is able to conduct meetings; the class is quarantined due to exposure to communicable illness; or the College does not allow all students to meet in the same classroom simultaneously. Students are expected to have access to Zoom and the physical technology needed to use it, and must consent to being recorded if classroom meetings are conducted via Zoom. Before the drop/add deadline, students should decide whether the course plan on the syllabus matches their own circumstances. In any case, the class will be formatted around class discussion, breakout groups, and lecture topics driven by student feedback. Students will be expected to complete online quizzes for each chapter

read, actively participate in class discussions, work on their own time with other students in order to complete team projects, and complete take-home exams.

Expectations: This course draws on core principles of a “flipped classroom” and utilizes a variety of online components to maximize the educational benefits of in-person class time.

Much of the class will be run much like a traditional course, although the design of lectures, discussions, and problem solving should encourage more interaction between students than you might be accustomed to in classes of a similar size;

Online components will be handled through OAKS, with no additional course management software required, although students will need access to such standard web resources as a PDF reader and an up-to-date modern web browser (either Google Chrome or Firefox recommended);

You will be expected to do the same sorts of activities that you do in any other class such as reading and writing, problem solving, responding to feedback, and discussions facilitated by the OAKS discussion board;

In general, students should expect to work 7-9 hours (including attending 3 class meetings) every week, including checking the course OAKS announcements and their CofC email daily for updates, in order to succeed in the course.

Structure: The course is divided into five modules, each focused on a different set of tools for understanding and analyzing the financial economy: Money & Banking, The Finance View, The Economics View, The Accounting View, and Applications.

Modules will generally cover 2 to 4 chapters from the Mishkin textbook, 3 chapters from the Lewis book, involve work towards ongoing team projects, and end in a take-home exit exam. The weekly schedule within a module will have two main focuses:

Module specific activities on Mondays and Wednesdays will generally involve the following:

Mondays will generally introduce new chapters

Complete a reading quiz on that unit no later than 9pm Sunday evening

Work in breakout groups and class discussions to develop new concepts and analytical tools

Wednesdays will develop the current chapter

Practice using the concepts and analytical tools in greater depth

Complete take-home exams by 9pm on the Tuesday following each module’s completion

Module linking activities on Fridays will cycle through three topic areas:

Policy weeks will develop new insights into central banking institutions

Complete a policy quiz on the assigned chapter from Mishkin by 9am Friday morning

Discuss details of the Federal Reserve and other central banks during the class meeting

Book weeks will explore a key moment in recent financial history

Submit your answers to the provided questions for Michael Lewis’ *The Big Short* by 9am Friday morning

Discuss three chapters during the class meeting in breakout groups and large class discussions

Project weeks will demonstrate progress on a team-based Fed decision-making simulation

Submit a final draft of the current project’s written report by 9am Friday morning

Present the main results of the project orally during the class meeting

The OAKS Checklist (available under the Grades tab) is the best way to navigate through all required and recommended material in the course.

CLASSROOM AND COLLEGE PROTOCOL:

Communication: Beyond class meetings, students may also interact with the professor in one-on-one Zoom meetings; through email, OAKS discussion forums, and reading quiz feedback, which the professor will respond to within 48 hours; and through exam feedback, which will be provided within 7 days of exam administration. Students should follow professional etiquette when interacting with the professor and each other.

Professional Etiquette: As this is a business course, all students are expected to behave in a professional and respectful manner at all times. The classroom environment should be treated as a professional environment where you are interacting with your workplace colleagues and supervisors.

During class meetings, students should be professional and ethical in their presentation and speech, be open to new ideas, be respectful of conflicting opinions, be kind and forgiving toward all present, be constructive when offering criticism, and help each other learn whenever possible. Students should avoid monopolizing class time, disrupting or distracting other students, making statements you would not say if an immediate professional superior were present, and broadcasting into the meeting any person who has not given their enthusiastic consent. Above all else, students should be willing to make mistakes where others can see them, and be constructive and helpful in learning from the mistakes others make.

Engaging in distracting, disruptive, or inappropriate behavior may result in the student being dismissed from the classroom by the professor.

On class discussion boards, all of the above still apply. In addition, assertions of fact should be supported by citing credible academic or journalistic sources, and students should be especially mindful of how text communication will be perceived by others, in the absence of nonverbal cues. Remember that the OAKS forums are part of the classroom environment.

Attendance, Tardiness, and Participation: This course does not impose graded penalties based on attendance, tardiness, or participation. However, students are expected to be consistently present and actively engaged in class meetings. It is unprofessional for students to schedule other activities, including work hours, during class time; students attending meetings should ensure they are able to devote their full attention to the meeting. Keep in mind that office-hour meetings are a complement to class meetings, not a substitute; please acquire notes from classmates for missed class periods. In general, successful performance will require students to attend every class meeting possible.

Classroom Health: Students are required to wear masks during any in-person meetings, including class meetings. Students are *strongly encouraged* to become vaccinated against COVID-19. Because there are no grade penalties for failure to attend class meetings, students are *strongly encouraged* not to attend class meetings if they are experiencing any symptoms of communicable illness. Students refusing to wear a mask over both nose & mouth or exhibiting symptoms of illness in the classroom may be asked to leave by the professor. See the Grading Policy section for students who are unable to complete a graded assignment.

Enrollment Verification: Enrolled students not recording completion of graded assignments during the two weeks following the end of the add/drop period will be removed from the course.

Academic Integrity: Students are required to know and abide by the College of Charleston Honor Code.

Any incidents of lying, cheating, attempted cheating, or plagiarism will be reported, and may result in a grade of XXF, disciplinary probation, suspension, or expulsion from the College.

Unauthorized collaboration —working with someone else without explicit permission from the professor—is a form of cheating.

Discussing specific questions from any graded assignment with another student prior to the assignment's due date also constitutes cheating, as is discussing specific questions with anyone other than the professor while taking a timed graded assignment or sharing or viewing the questions anywhere except on the OAKS discussion forums for this course.

Similarly, taking screen shots of questions in graded assignments is a form of cheating, as is viewing screen shots of specific questions taken by another student and sharing screen shots of specific questions (regardless of who took the screen shot).

Research conducted and/or papers written for other classes cannot be used in whole or in part for any assignment in this class without obtaining prior permission from the professor.

Use of ideas from known sources in a written report must include a full citation to the source in the references section at the end of the report and an in-text author-year citation (not a footnote) in the body where the idea is used. If the idea is not thoroughly rewritten in the students' own words, it must be directly quoted from the source and enclosed in quotation marks.

Weather: If the College of Charleston closes and members of the community are evacuated due to inclement weather, students are responsible for taking course materials with them in order to continue with course assignments consistent with instructions provided by faculty. If in-person classes are suspended, faculty will announce to their students a detailed plan for a change in modality to ensure the continuity of learning. All students must have access to a computer equipped with a web camera, microphone, and Internet access. Resources are available to provide students with these essential tools.

Religious Accommodation: The College prohibits discrimination against any student because of such student's religious belief or any absence thereof. The College supports the concept of "reasonable accommodation for religious observance" in regard to class attendance and the scheduling of examinations and other academic work requirements, unless the accommodation would create an undue hardship on the College. If you are in need of accommodations, please contact the professor.

Changes: Any changes in course policies during the semester will be announced on OAKS.

LEARNING OUTCOMES AND GOALS:

School of Business and Department of Economics Learning Goals: The course meets the following School of Business learning goals: Global and Civic Responsibility; Quantitative Fluency; Communication Skills. The course meets the following Economics Department learning goals: Understanding Major Economic Problems; Quantitative Fluency; Synthesis; Communication Skills. Goals are assessed through online quizzes, class-meeting discussions, take-home exams, and team projects (including presentations).

GRADING POLICY:

Final grades are rounded to the nearest whole percent. The grading scale is as follows:

Percentage Grade	≥ 90%	≥ 80%	≥ 70%	≥ 60%	< 60%
Letter Grade	A	B	C	D	F

Graded assignments include asynchronous online quizzes, synchronous in-person discussions, asynchronous online exams, and team projects. The distribution of points is as follows:

Reading Quizzes (11 total, 2% each)	22%
Policy Quizzes (4 total, 2% each)	8%
Book Discussions (4 total, 2.5% each)	10%
Take-home exams (5 total, 6% each)	30%
Team Projects (3 total)	30%
Total	100%

Online Quizzes. There are two types of OAKS quizzes: Reading and Policy. Questions are randomly chosen from the available test bank. Each individual quiz is equally weighted in your overall grade. All quizzes will always be **due by 9pm on the evening before the related chapter will be discussed**, and will be available beginning at 10pm one week before it is due.

Reading. Before each weekly section of material has been covered, students will complete quizzes covering the assigned chapter from Mishkin. These quizzes will also provide students with a chance to inform the professor of which topics need the most discussion and practice during the week's scheduled class meetings. Eleven reading quizzes will be offered over chapters in Mishkin. Reading Quizzes are worth 22% of the student's final grade, with each quiz weighted equally.

Policy. Before each Federal Reserve / Central Bank class discussion, students will complete quizzes covering the assigned chapter from Mishkin. These quizzes will also provide students with a chance to inform the professor of which topics need the most discussion and practice during the class meeting. Four policy quizzes will be offered over chapters in Mishkin. Policy Quizzes are worth 8% of the student's final grade, with each quiz weighted equally.

Book Discussions. Throughout the semester, students will read Michael Lewis' book, *The Big Short* and discuss it in class (while the film is good, it leaves out many details in the book which increase its relevance for the course). The book will be discussed over four class periods, with discussions graded based on responses to provided questions which students will submit to the appropriate OAKS Assignment Folder. Details on these questions are provided in the Book Discussions Guide. Book Discussions are worth 10% of the student's final grade, with each discussion weighted equally.

In order to gain access to Book Discussions, students must complete a syllabus quiz on OAKS with a score of 100%. This quiz will involve assenting to the college honor code regarding academic integrity.

Take-home Exit Exams. At the end of each module, students will complete a take-home exit exam consisting of questions drawn from the reading quiz and policy quiz test banks and similar problems. Other material presented during class-meetings or assigned and provided via OAKS may also be testable; all testable material will be identified before the exit exam is made available via OAKS. Each exit exam may be taken only once. Exit exams are worth 30% of the student's final grade, with each exam weighted equally.

In order to gain access to exams, students must complete a syllabus quiz on OAKS with a score of 100%. This quiz will involve assenting to the college honor code regarding academic integrity.

Team Projects. Students will work in assigned teams on 3 cumulative projects throughout the semester, conducting data-based research, completing written reports documenting the research, and presenting oral summaries of the projects. Teams will be assigned uniform grades, while individual grades will also depend on peer evaluations of the individual's contribution to the team outcome and the professor's assessment of each member based on group feedback. Details on the projects are provided in the Team Project Guide. Project #1 will be worth 5% of the student's final grade, Project #2 will be worth 10%, and Project #3 will be worth 15%.

Students are responsible for all information presented through class meetings (whether in-person or online) or through assigned readings, multimedia, or activities, and all will be considered testable. Graded assignments are designed for you to *use* the terms, concepts, and models presented in the course and to challenge your weakest abilities in these areas. As such, any inability to use the course material effectively will be reflected in your grade, even if you "know" the material.

There will be no "bumping up" offered at the end of the semester, and (except when a grade of Incomplete or similar is filed) no graded assignment can be completed after the final exam has been administered. Each student is responsible for their own grade, and extra credit opportunities cannot be offered to one student that have not been made available to the class as a whole. If you are concerned about getting a certain letter grade, you must consistently put in the effort and achieve the performance required by the standards of the course.

No make-up assignments or extensions, including taking exams early, will be offered for any reason. Students are expected to complete online assignments far enough in advance to avoid losing points due to computer malfunctions, power outages, or similar rare events. If a student will be unable to complete a graded assignment, they should inform the professor (prior to the assignment's due date if possible) and up to one exam, three quizzes, and one book discussion may be excused from the student's grade at the professor's discretion.

RESOURCES FOR SUCCESS:

In order to succeed in the course, students should take advantage of the following resources in the manner they find most productive. Note again that students are expected to be working approximately 7-9 hours per week on course related activities, inclusive of all of the following:

Reading Assignments. Students will be given chapters in the assigned textbook to read according to the class schedule. Students are encouraged to discuss chapter content with other students on the OAKS discussion forums for the relevant module.

OAKS Discussions. Students should feel free to post questions related to the readings or class material on OAKS, especially working on team projects using the team discussion boards. Students should generally seek out peer assistance on discussions before addressing questions to the professor via email.

Red Questions. After each reading and policy quiz, the professor will compile a short list of 3 to 6 frequently-missed questions. This list of questions, and their answers, will generally be used for class meeting practice and discussion and will be made available online after this in-class discussion.

Class Meetings. Repeated analysis has shown that non-interactive class meetings are often not the most effective way for college students to learn challenging material. As such, class lectures will to a large extent be driven by student feedback on reading quizzes. This allows us to use our time more effectively on topics where many students are having difficulty. Students will be able to interact with the professor by asking questions, answering the professor's questions, and contributing to discussions. Students are encouraged to take notes during class meetings. The class meetings will also devote time to working practice problems such as the Red Questions.

Office Hours. Students can interact with the professor via drop-in Zoom meetings on Mondays and Wednesdays from 2pm to 4pm. Students may attend these designated office hours to ask clarifying questions, work through red questions or other practice problems and learn the answers, discuss their current standing in the course, or develop study plans for this course. Students unable to meet at this time may email the professor to schedule an alternate meeting time. Please be as flexible as possible with your availability for such meetings, and please keep in mind that it is unprofessional to miss specially scheduled appointments. Should in-person meetings occur, masks (properly worn tightly over both nose and mouth) will be required.

Online Resources. Students will have access to any formal slides used in class and occasional additional notes or videos which illustrate some connections between the readings and the lectures for the course. From time to time, videos or other media which might illuminate on topics discussed will be made available through OAKS.

Group Study. Studying in groups can be a highly effective way to learn challenging material, and is common practice in more mathematically challenging courses. Students may wish to form their own study groups, especially in the week before each exam.

Center for Student Learning: The Center for Student Learning's (CSL) academic support services provide assistance in study strategies, speaking & writing skills, and course content. Services include tutoring, Supplemental Instruction, study skills appointments, and workshops. Students of all abilities have become more successful using these programs throughout their academic career and the services are available to you at no additional cost. For more information regarding these services please call (843) 953-5635 or visit the CSL website.

Reasonable Accommodation: The College will make reasonable accommodations for persons with documented disabilities. Students should apply at the Center for Disability Services / SNAP, located on the first floor of the Lightsey Center, Suite 104. Students approved for accommodations are responsible for notifying the professor as soon as possible and for contacting the professor one week before accommodation is needed on a particular graded assignment.

GENERAL RESOURCES:

Mental & Physical Wellbeing: At the college, we take every students' mental and physical wellbeing seriously. If you find yourself experiencing physical illnesses, please reach out to student health services (843-953-5520). And if you find yourself experiencing any mental health challenges (for example, anxiety, depression, stressful life events, sleep deprivation, and/or loneliness/homesickness) please consider contacting either the Counseling Center (professional counselors at <http://counseling.cofc.edu> or (843) 953-5640, located on the 3rd floor of the Robert Scott Small Building) or the Students 4 Support (certified volunteers through texting "4support" to 839863 or meeting with them in person on the 3rd Floor of the Stern Center). These services are there for you to help you cope with difficulties you may be experiencing and to maintain optimal physical and mental health.

Food & Housing Resources: Many CofC students report experiencing food and housing insecurity. If you are facing challenges in securing food (such as not being able to afford groceries or get sufficient food to eat every day) and housing (such as lacking a safe and stable place to live), please contact the Dean of Students for support (<http://studentaffairs.cofc.edu/about/salt.php>). Also, you can go to <http://studentaffairs.cofc.edu/student-food-housing-insecurity/index.php> to learn about food and housing assistance that is available to you. In addition, there are several resources on and off campus to help. You can visit the Cougar Pantry in the Stern Center (2nd floor), a student-run food pantry that provides dry-goods and hygiene products at no charge to any student in need.

Technical Difficulties: If you have technical problems, please contact Student Computing Support or Helpdesk:

Student Computing Support: (843-953-5457) or studentcomputingsupport@cofc.edu

IT Service Desk: (843-953-3375) or ITservicedesk@cofc.edu

Inclusion: The College of Charleston offers many resources for LGBTQ+ students, faculty and staff along with their allies. Further resources are available through the Office of Institutional Diversity.

Preferred Name and Pronoun Information	Campus Resources
On Campus Gender Inclusive facilities	GSEC Reports
College of Charleston Reporting Portals	College of Charleston Quality Enhancement Plan (QEP)
National Resources for Faculty & Staff	Articles about CofC and LGBTQ+ Issues
Documenting LGBTQ Life in the Lowcountry (CofC Addlestone Library Special Collections Project)	

HONOR CODE AND ACADEMIC INTEGRITY:

“Lying, cheating, attempted cheating, and plagiarism are violations of our Honor Code that, when suspected, are investigated. Each incident will be examined to determine the degree of deception involved.

Incidents where the instructor determines the student’s actions are related more to misunderstanding and confusion will be handled by the instructor. The instructor designs an intervention or assigns a grade reduction to help prevent the student from repeating the error. The response is recorded on a form and signed both by the instructor and the student. It is forwarded to the Office of the Dean of Students and placed in the student’s file.

Cases of suspected academic dishonesty will be reported directly by the instructor and/or others having knowledge of the incident to the Dean of Students. A student found responsible by the Honor Board for academic dishonesty will receive a XXF in the course, indicating failure of the course due to academic dishonesty. This status indicator will appear on the student’s transcript for two years after which the student may petition for the XX to be expunged. The F is permanent.

Students can find the complete Honor Code and all related processes in the Student Handbook at: <http://deanofstudents.cofc.edu/honor-system/studenthandbook/>.”

COURSE SCHEDULE:

This schedule is subject to change. Changes will be posted on the OAKS announcement page and sent out via email. Please check the OAKS calendar and your official CofC email daily. If there is any confusion as to when an assignment is due, contact the professor.

MODULE 1: MONEY AND BANKING (Exit Exam Due September 14th before 9pm)				
DATES:	WEEK:	MONDAY	WEDNESDAY	FRIDAY
8/24–8/28	1	NO CLASS	1ST DAY	
8/29–9/04	2	RQ #1 (CH 3)		
9/05–9/11	3	RQ #2 (CH 8)		PQ #1 (CH 16)
MODULE 2: THE FINANCE VIEW (Exit Exam Due September 28th before 9pm)				
DATES:	WEEK:	MONDAY	WEDNESDAY	FRIDAY
9/12–9/18	4	RQ #3 (CH 4)		DISC #1 (Pro., 1, 2)
9/19–9/25	5	RQ #4 (CH 6)		TEAMS ASSIGNED
MODULE 3: THE ECONOMICS VIEW (Exit Exam Due October 19th before 9pm)				
DATES:	WEEK:	MONDAY	WEDNESDAY	FRIDAY
9/26–10/02	6			PQ #2 (CH 18)
10/03–10/09	7	RQ #5 (CH 5)		DISC #2 (3, 4, 5)
10/10–10/16	8	RQ #6 (CH 7)		PROJECT #1
MODULE 4: THE ACCOUNTING VIEW (Exit Exam Due November 9th before 9pm)				
DATES:	WEEK:	MONDAY	WEDNESDAY	FRIDAY
10/17–10/23	9	FALL BREAK		PQ #3 (CH 17)
10/24–10/30	10	RQ #7 (CH 9)		DISC #3 (6, 7, 8)*
10/31–11/06	11	RQ #8 (CH 11)		PROJECT #2
MODULE 5: APPLICATIONS (Exit Exam Due December 7th before 9pm)				
DATES:	WEEK:	MONDAY	WEDNESDAY	FRIDAY
11/07–11/13	12	RQ #9 (CH 12)		PQ #4 (CH 19)
11/14–11/20	13	RQ #10 (CH 13)		DISC #4 (9, 10, Epi.)
11/21–11/27	14	RQ #11 (CH 10)	THANKSGIVING BREAK	
11/28–12/04	15			PROJECT #3
12/06	16	EVALS		

RQ indicates a reading quiz on the listed chapter from Fredric Mishkin's *Economics of Money, Banking, and Financial Markets: Business School Edition*, 4th ed. PQ indicates a policy quiz on the listed central bank-related chapter from Mishkin. All quizzes are due by 9:00pm on the evening before the assignment will be covered in class.

PROJECT indicates the final written report of the numbered project is due in the OAKS Assignment Folder, and the oral presentation of the project will be given during the class meeting. DISC indicates that answers to discussion questions on the listed chapters of *The Big Short* by Michael Lewis are due in the OAKS Assignment Folder, and a discussion of these chapters will take place during the class meeting. All Assignment Folder materials are due *by the end of class* (no later than 12:50pm) on the date listed.

Exit Exams are due by 9pm on the date listed on the assignment, and are available after class the preceding Friday.

*29 October is the last day for students to withdraw with a grade of "W" from full semester classes.