ECON 305-02: Money and Financial Institutions  
TH 3:05 – 4:20 – In Class 216 Beatty  
Spring 2022

Professor: Dr. Nancy Barry  
Office Hours: Via ZOOM MW 4:30 – 6:00 PM or by appointment  
barryns@cofc.edu  
Phone # will be provided in class

Course 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. Prerequisites: ECON 200, ECON 201, MATH 104 or 250, MATH 116 or 120; or permission of the instructor.

Textbook and Other Materials


Wall Street Journal – Articles in the “Economy” and “Markets” sections will be particularly relevant. The Wall Street Journal news articles are considered good sources of information that lean neither right nor left politically. However, the editorial section is not a good source of information and takes a strong political stance. As a result, please read only the news articles for this class. Right now, you can buy a student digital subscription for $4.00 ($2.00 a month for a year), or you can access it through the library.

Other required or optional readings will be posted on Oaks from time to time. 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 also need to regularly check their College of Charleston email for information on assignments, other course information, and college policy. Assignments will need to be entered in Oaks Dropboxes in either word, PDF, or Excel formats. Class slides and other materials used in class will be posted on Oaks after they are used in class.

A simple calculator that performs only the basic arithmetic functions of addition, subtraction, multiplication, and division. You will also need access to a computer equipped with a web camera, microphone, and internet access to participate in office hours or other assignments.

Some Course Procedures, Expectations, and Keys to Success

Generally, this will be a lecture and discussion class conducted in person. You are required to wear a face covering that covers your mouth and nose when indoors on the campus and thus in this classroom. You will be expected to meet virtually outside of class for office hours, group presentation preparation, and the possibility that some classes will be held virtually if any of us develop COVID.

Attendance and participation in class are mandatory. Generally, I allow you to have no more than 3 absences for any reason from this class. Any absences related to Covid-19 will be treated separately. In addition, if you know of any events in your life during this semester that could require that you miss class, please let me know as soon as possible so I can make appropriate changes or accommodations.
Inclement Weather, Pandemic or Substantial Interruption of Instruction: 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. As noted above, all students must have access to a computer equipped with a webcam, microphone, and Internet access. Resources are available to provide students with these essential tools.

I will expect all students to come to class ready to ask questions and participate in discussions. Students will need to close their computers and phones and take handwritten notes during class. They will be required to submit these periodically.

Aside from regular attendance and participation in class, your success in this class can be enhanced by
1) Before assignments are discussed in class, read the assignment to familiarize yourself with terms.
2) During class, stay focused by taking handwritten notes as required above.
3) As soon as possible after class, review your class notes and the class slides to be sure you understood and properly documented what was said.
4) Complete homework on Oaks and My Lab exercises

Required Economics Learning Outcomes
• Understanding Major Economic Problems - Demonstrate an understanding of the major economic problems facing society and the policy alternatives which may be utilized to contend with these problems.
• Synthesis - Demonstrate the ability to access existing knowledge by retrieving, assembling, and organizing information on topics and issues in economics.
• Communication Skills - Demonstrate the ability to clearly communicate an economic analysis.

Students with Disabilities

The College will make reasonable accommodations for persons with documented disabilities. See https://disabilityservices.cofc.edu/. Students should apply at the Center for Disability Services/SNAP, located on the first floor of the Lightsey Center, Suite 104. If you are approved for accommodations, please let me know as soon as possible. To receive specific accommodations, I need to know at least one week before accommodation is needed.

College of Charleston Honor Code and Academic Integrity

Lying, cheating, attempted cheating, and plagiarism are violations of our Honor Code that, when identified, 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 a misunderstanding will be handled by the instructor. A written intervention designed to help prevent the student from repeating the error will be given to the student. The intervention, submitted by form and signed both by the instructor and the student, will be forwarded to 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 an XF in the course, indicating failure of the course due to academic dishonesty. This grade will appear on the student’s transcript for two years after which the student may petition for the X to be expunged. The student may also be placed on disciplinary probation, suspended (temporary removal) or expelled (permanent removal) from the College by the Honor Board.

Students should be aware that unauthorized collaboration--working together without permission--is a form of cheating. Unless the instructor specifies that students can work together on an assignment, quiz and/or test, no
collaboration during the completion of the assignment is permitted. Other forms of cheating include possessing or using an unauthorized study aid (which could include accessing information via a cell phone or computer), copying from others’ exams, fabricating data, and giving unauthorized assistance.

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

To aide students in following the honor code, please limit what you bring to class on exam days.

Assignments

1) Reading assignments in Mishkin – see the schedule below
2) Additional readings will be periodically posted in Oaks
3) Quizzes – see the schedule below – these will be short multiple-choice quizzes at the beginning of class
4) Homework – will be assigned periodically
5) Handwritten class notes – these will be submitted periodically. Please use Adobe Scan (https://www.youtube.com/watch?v=HE3IRDblu8U&feature=youtu.be) to submit them to the appropriate Oaks Dropbox.
6) Group presentation – You will be divided into groups of 4 and assigned one of the emerging risks to the financial system identified by the Financial Stability Oversight Council in its 2021 Annual Report. During the last week of class, you will complete a 20-minute presentation on the topic. To mimic current work situations, you will prepare for these presentations via Zoom.

Grades

Grades in this class will be calculated as follows
1) Quizzes will count 15% of your grade (3% each). There are 7 quizzes – the highest 5 quiz grades will count toward your final grade. As a result, no make-up quizzes will be given.
2) Exams will count 50% – your best exam will count 25% of your grade, your second best 15%, and the 3rd will count 10%. The last exam will be cumulative. Please make every effort to take exams at the scheduled time. If you know early in the course that a particular date or time is not possible, please let me know, as I may be able to make a change.
3) Homework will count 10%
4) Handwritten notes will count 10%
5) Paper or class presentation will count 15%.

Grading scale

A  94-100
A-  90-93
B+  87-89
B   83-86
B-  80-82
C+  77-79
C   73-76
C-  70-72
D+  67-69
D   63-66
D-  60-62
F   < 60
## Tentative Weekly Course Schedule

<table>
<thead>
<tr>
<th>Week of</th>
<th>Topic</th>
<th>Mishkin Chapters</th>
<th>Quizzes and Exams</th>
<th>Other important events</th>
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<tbody>
<tr>
<td>1-11</td>
<td>Class Protocols, using FRED, and The Financial System</td>
<td>Chapters 1 - 2</td>
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<td>1-18</td>
<td>Money and Interest Rates</td>
<td>Chapters 3-6</td>
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<td>Last Day for Add/Drop</td>
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<td>Quiz 1 Chpts 1-3</td>
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<td>1-25</td>
<td>Interest Rates cont’d</td>
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<td>Financial Structure</td>
<td>Chapter 8</td>
<td>Quiz 2 Chpts 4-6</td>
<td>FOMC Meeting 25-26</td>
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<td>Quiz 3 Chpt 8</td>
<td>Submit notes in Dropbox</td>
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<td>2-1</td>
<td>Banking</td>
<td>Chapter 9</td>
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<td>2-7-2-9</td>
<td>Exam 1</td>
<td>Chapters 1-6, 8-9</td>
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<td>Exam 1</td>
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<td>2-10</td>
<td>Non-Bank Financial Institutions</td>
<td>Web Chapter 2</td>
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<td>Nonbank Finance</td>
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<td>2-15</td>
<td>Economics of Financial Regulation and Structure and Competition</td>
<td>Chapter 10 and 11</td>
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<td>2-22</td>
<td>Financial Crises</td>
<td>Chapter 12</td>
<td>Quiz 4 Chpts 10-11</td>
<td>Additional Reading in</td>
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<td>3-1</td>
<td>The Federal Reserve System and Money Supply Process</td>
<td>Chapters 16 and 17</td>
<td>Quiz 5 Chpt 12</td>
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<td>3-8</td>
<td>Spring Vacation</td>
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<td>3-15</td>
<td>The Money Supply Process cont’d</td>
<td>Web Chpt 2, Chpts</td>
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<td>FOMC Meeting 15-16</td>
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<td>10-12, 16-17</td>
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<td>Submit notes in Dropbox</td>
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<td>Exam 2</td>
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<td>3-22</td>
<td>Monetary Policy: Tools Strategy and Tactics</td>
<td>Chapter 18 and 19</td>
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<td>Last day to withdraw</td>
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<td>3-29</td>
<td>Quantity Theory and Keynes</td>
<td>Chapter 22</td>
<td>Quiz 6 Chpts 18-19</td>
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<td>4-5</td>
<td>Monetary Policy in Action</td>
<td>Chapter 23</td>
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<td>4-12</td>
<td>Monetary Policy Theory and Transmission Mechanisms</td>
<td>Chapter 24 and 25</td>
<td>Quiz 7 Chpts 22-23</td>
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<td>4-19</td>
<td>Group Presentations</td>
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<td>Submit notes in Dropbox</td>
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<td>4-30</td>
<td>Final Exam 3:30-5:30 pm</td>
<td>All chapters above</td>
<td>Exam 3 - final</td>
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