

Money and Banking

RUTGERS, THE STATE UNIVERSITY OF NEW JERSEY
Money and Banking
01:220:301, SECTION 04
Fall 2017

Time: Tuesday and Thursday, 4:30 p.m. – 5:50 p.m., AB 2125 (CAC)

Instructor: Jack R Skydel

Email: jack.skydel@rutgers.edu

Office Hours: Mondays 2:00 p.m.– 3:30 p.m. and Tuesdays 12:30 p.m. – 2:00 p.m.
N.J. Hall 104 (CAC)

Class Portal: <https://sakai.rutgers.edu/portal/site/7985d0a0-cf74-47e2-a027-45a811c17107>

Final Exam: Wednesday, December 20 – 12p.m. – 3:00 p.m.

Prerequisites

In order to enroll, you must have successfully completed 01:220:102, and 01:220:103 or 01:220:200

Course Description

“ I guess I should warn you, if I turn out to be particularly clear, you probably misunderstood what I said.” Alan Greenspan – Former Chairman of the Federal Reserve from 1987 - 2006

Students who satisfactorily complete this course will have a thorough understanding of the role of money and banks in the broader economy and of the unique role of banks in the financial system. Students will also learn the relevance of the Federal Reserve and related central banking topics, including the causes of, policy responses, and lessons learned associated with recent financial crises. Finally, students will master the fundamentals of monetary theory and its relevance to policy making.

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Grading Metrics and Scale

Your final course grade will be based on the following:

Assignments:	16%
Exam I:	28%
Exam II:	28%
Final Exam	28%

The following course grading scale is tentative. Depending on overall class performance, I reserve the right to “curve” final course grades more leniently.

A	90 to 100%
B+	85 to 89.9%
B	80 to 84.9%
C+	72 to 79.9%
C	66 to 71.9%
D	56 to 65.9%
F	0 to 55.9%

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Required Resources

The required textbook is the following: **“The Economics of Money, Banking and Financial Markets 11th ed. Frederic S. Mishkin, ISBN-13: 978-0133836790**

Students are expected to read each assigned chapter before the material is presented in class. As this course is an elective, my classroom presentations will not be a repetition of what is in the textbook, but rather they will focus on the more difficult concepts, respond to specific questions, and tie what we are learning to economic theory, public policy and related financial market events. **In addition**, I will be supplementing the assigned reading with materials such as video presentations and articles all of which will be posted on our Sakai portal. Students are responsible for reviewing all supplemental materials.

MyEconLab

If you select this course, then you must have timely access to MyEconLab because assigned problem sets will be completed through this online learning resource. Your responsibility is to learn how to utilize all the features of MyEconLab and keep abreast of the material. Registration will remain open until the week following the add/drop date. Afterwards, registration will be closed. (Note that you are able to register for MyEconLab on a temporary basis at no cost which provides you flexibility during the add/drop period).

The access information for MyEconLab is the following:

- Visit <http://pearsonmylabmastering.com/>
- Register as a student using the **instruction sheet** posted on our Sakai class page under the Resources tab.
- Be sure to use the **Course ID** shown on the instruction sheet when registering.
- Be sure to enter your alphanumeric **NetID (not your RUID)** in the indicated field.
- Be sure to use your **real name** as registered for the course (**do not use an alias**).

MyEconLab can be purchased with or without an electronic version of the text, so your options are the following:

- Purchase access to MyEconLab with the e-book
- Purchase access to MyEconLab only and purchase a hard copy of the text either new or used.

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You also have the option of purchasing all the resources through the RU Bookstores as follows:

“Economics of Money, Banking and Financial Markets 11th ed. Frederic S. Mishkin

MyEconLab Code with e-text

MyEconLab Code with e-text and Loose-leaf text package

Notifications

All announcements regarding the course will be stated in class and through the Sakai portal. You are responsible for monitoring Sakai to stay updated. Make sure you are receiving e-mail notifications regarding updates on Sakai.

Policies

Academic Integrity

Any student caught cheating on an exam will be immediately dismissed and receive a failing grade for the course. According to RU policy, the incident will be reported to the Office of Student Conduct and Academic Integrity. Cheating during an exam includes but is not limited to, consulting any notes or text, the use of a prohibited electronic device, communicating with another student, a physical exchange with another student or making an effort to view another student’s exam or share your own. The full description of the policies relating to academic integrity are available on the Office of Student Conduct website, (<http://academicintegrity.rutgers.edu/academic-integrity-policy>).

Assignments

Assignments are for your benefit and represent the minimum level of practice. You must complete each assignment by the specified due date. While assignments submitted after the due date will still be accepted, there will be a percentage penalty deduction. MyEconLab is a robust self-teaching tool that includes practice quizzes, animations, and study outlines. I strongly encourage students to take advantage of the full capabilities of MyEconLab.

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Attendance

Class attendance is crucial. You are responsible for material covered in class which does include material that is not specifically covered in the text book. If you will be absent because of a family emergency or illness, then you should use the University Absence Reporting website (<https://sims.rutgers.edu/ssra/>) to indicate the date and reason for your absence. An e-mail will automatically be sent to me.

Class Conduct

My expectations for class conduct are based on mutual respect for me and your classmates. I will attend, be engaged, prepared, and punctual for every class and I will remain in class for the full scheduled time. I will not use our class time to catch up on sleep, complete other class work, hold unrelated conversations, listen to music, make telephone calls, text or read a newspaper or magazine. I expect my classes to conduct themselves accordingly.

Exams

Exams will be based on material covered in the textbook, classroom presentations, and supplemental materials posted in the Resources section of Sakai. You must attend all exams at their scheduled times as noted in the Tentative Schedule section of this syllabus. Make – up exams will only be accommodated with a documented excuse that I deem acceptable and all make ups **must be** completed on the date schedule by the Economics Department **You should specifically note the date of the final exam.** Make up times for **final exams** are extremely limited. If your class schedule creates a conflict with the date of our final exam, you should change your schedule before or during the add/drop period to ensure you can take the final exam on its scheduled date and time. The final exam is mandatory. Do not plan to leave campus before the date of the final exam. If you miss the final exam, you will receive a zero. For all exams, it is the responsibility of any **student needing accommodation for a disability** to seek that accommodation through the procedures and guidelines set by the **Office of Disability Services (<https://ods.rutgers.edu>)**.

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Tentative Schedule

- Sept. 5: Syllabus Review & Chapter 1 “Why Study Money, Banking and Financial Markets
- Sept 7: Chapter 2 & 3 “An Overview of the Financial System” & “What is Money”
- Sept 12: Chapter 3 “What Is Money”
- Sept 14: Chapter 4 “The Meaning of Interest Rates”
- Sept 19: Chapter 5 “The Behavior of Interest Rates”
- Sept 21: Chapter 6 “The Risk and Term Structure of Interest Rates”
- Sept 26: Chapter 6 “The Risk and Term Structure of Interest Rates”
- Sept 28: Chapter 7 “The Stock Market, Theory of Rational Expectations...”
- Oct 3: Exam 1 Chapters 1-7
- Oct 5: Chapter 8 “An Economic Analysis of Financial Structure”
- Oct 10: Chapter 9 “Banking and Management of Financial Institutions”
- Oct 12: Chapter 9/10 “Banking and Management of Financial Institutions” & “Economic Analysis of Financial Regulation”
- Oct 17: Chapter 11 “Banking Industry: Structure and Competition”
- Oct 19: Chapter 13 “Central Banks and the Federal Reserve System”
- Oct 24: Chapter 13 “Central Banks and the Federal Reserve System
- Oct 26: Chapter 14 “The Money Supply Process”
- Oct 31: Chapter 14 “The Money Supply Process”
- Nov 2: Chapter 15 “Tools of Monetary Policy”
- Nov 7: Chapter 16 “The Conduct of Monetary Policy”

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Tentative Schedule (continued)

- Nov 9: Chapter 16 “The Conduct of Monetary Policy....”
- Nov 14: **Exam II** Chapters 8-11, 13-16
- Nov 16: Chapter 19 “Quantity Theory, Inflation and Demand for Money”
- Nov 21: Chapter 20/21 “The IS Curve” & The Monetary Policy and AD Curves”
- Nov 28: Chapter 20/21 “The IS Curve & The Monetary Policy and AD Curves”
- Nov 30: Chapter 22 “Aggregate Demand and Supply Analysis”
- Dec 5: Chapter 23 “Monetary Policy Theory”
- Dec 7: Chapter 24 “The Role of Expectations in Monetary Policy
- Dec 12: Chapter 12 “Financial Crises”
- Dec 14: Reading Day “Optional Review Session” -- TBD
- Dec 20: **Final Exam** Chapters 19-21, 22-24, 12

INTRODUCTION TO MACROECONOMICS

Other Resources

Student-Wellness Services:

Just In Case Web App

<http://codu.co/cee05e>

Access helpful mental health information and resources for yourself or a friend in a mental health crisis on your smartphone or tablet and easily contact CAPS or RUPD.

Counseling, ADAP & Psychiatric Services (CAPS)

(848) 932-7884 / 17 Senior Street, New Brunswick, NJ 08901 / www.rhscaps.rutgers.edu/

CAPS is a University mental health support service that includes counseling, alcohol and other drug assistance, and psychiatric services staffed by a team of professional within Rutgers Health services to support students' efforts to succeed at Rutgers University. CAPS offers a variety of services that include: individual therapy, group therapy and workshops, crisis intervention, referral to specialists in the community and consultation and collaboration with campus partners.

Violence Prevention & Victim Assistance (VPVA)

(848) 932-1181 / 3 Bartlett Street, New Brunswick, NJ 08901 / www.vpva.rutgers.edu/

The Office for Violence Prevention and Victim Assistance provides confidential crisis intervention, counseling and advocacy for victims of sexual and relationship violence and stalking to students, staff and faculty. To reach staff during office hours when the university is open or to reach an advocate after hours, call 848-932-1181.

Disability Services

(848) 445-6800 / Lucy Stone Hall, Suite A145, Livingston Campus, 54 Joyce Kilmer Avenue, Piscataway, NJ 08854 / <https://ods.rutgers.edu/>

Rutgers University welcomes students with disabilities into all of the University's educational programs. In order to receive consideration for reasonable accommodations, a student with a disability must contact the appropriate disability services office at the campus where you are officially enrolled, participate in an intake interview, and provide documentation: <https://ods.rutgers.edu/students/documentation-guidelines>. If the documentation supports your request for reasonable accommodations, your campus's disability services office will provide you with a Letter of Accommodations. Please share this letter with your instructors and discuss the accommodations with them as early in your courses as possible. To begin this process, please complete the Registration form on the ODS web site at: <https://ods.rutgers.edu/students/registration-form>.

Scarlet Listeners

(732) 247-5555 / <http://www.scarletlisteners.com/>

Free and confidential peer counseling and referral hotline, providing a comforting and supportive safe space.

