

Monetary Economics

Summer 2023

Professor: Francisco J Pallares, DED
Office: NA

Class Meeting: Online

Office Hours: By Appointment

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Course Syllabus

Textbook: The Economics of Money, Banking, and Financial Markets, 13th Edition by Frederic Mishkin, Columbia University, 2022. Pearson. ISBN 9780133836790

1. Course Overview

This course is designed to provide a one-term overview (introduction) of money and banking economics. We will initially include the discussions of interest rates, the concept of money, exchange rates, and monetary policy. The course will cover the basics of banking structures and function, the Federal Reserve, determinants of the money supply, fiscal policy and monetary policy, and some international economics topics.

2. Teaching Method:

This is an online class, there is a great deal of reading in the course; it is imperative that students do not fall behind. Readings, Individual Exercises and Chapter Discussions will form the basis of study. The book, The Economics of Money, Banking, and Financial Markets by Mishkin, 13th edition (older versions are acceptable as well), will serve as the textbook. Typically, with appropriate effort, students can comprehend much of the textbook material without substantial input by the instructor. Most of our focus will be spent applying the theory and concepts to problems through open, interactive, student-to-student, student-to-instructor discussions. Therefore, the method of instruction/learning will be through reading, discussions with the instructor and fellow students, and solving problems individually. With the objective of establishing as dynamic and effective a learning environment as possible in an online course, there must be a commitment on the part of students to prepare and share analysis, thoughts, and questions with classmates.

3. Student Learning Outcomes and Marketable Skills:

Upon successful completion of the course, the student should be able to display an understanding of monetary policy, economic policy, process of money creation, fractional reserve banking system, and news relating to monetary policies reported in such publications as The Wall Street Journal. Students will also become familiarized with the structure and function of Commercial Banks, The Federal Reserve, and other financial institutions such as the New York Stock Exchange.

4. Course Grade

There will be a total of 2 exams in the semester (1 midterm and 1 final; the final will be on the second half of the course—non-comprehensive). Both exams are open book, mandatory, timed, and will be made available online for a whole week. Besides this, there are going to be 3 problem sets **ALL PROBLEM SETS ARE MANDATORY** and 5 discussions **ALL DISCUSSIONS ARE MANDATORY** throughout the semester.

There will be a total of 2 regular exams in the semester:

2 Exams...20% each (20%+20%=40%) (both mandatory)

3 Problem Sets... 7.5% each (7.5% X 3 = 22.5%) (All Mandatory)

5 Discussions... 7.5% each 7.5% X 5 = 37.5%) (All Mandatory)

2 Regular exams= 40%

3 Problem Sets= 22.5%

5 Discussions= 37.5%

Total

100%

The grading scale follows:

A... 100%-90%

B... 89%-80%

C... 79%-70%

D... 69%-60%

F... 59% and below

- There are NO extra credit opportunities.
- **No makeup Problem Set/Exams/Discussions are allowed or offered or accepted, except for the University Excused Absences. If an exam date is in conflict with your schedule, please let me know ahead of time to place the Test/Problem Set/Discussion –BEFORE- the date.**
- **All discussions and problem sets will be due on the Saturday of each week at midnight. You'll have an entire week to submit it, therefore plan ahead of time.**
- **Problem Sets** consist of, questions and problems created by the instructor, but also sometimes found at the end of each chapter in the textbook used in this course. Please look at the calendar to see when each of these assignments is due each week, they will always have to be submitted before Wednesday and Saturday at midnight. Each of these 3 assignments is worth a maximum of 7.5% of your final grade, which in total is worth 22.5% of your overall grade.
- **Discussions** focus on a key topic, concept, or idea from a chapter. Please look at the calendar to see when each of these discussions is due, they will always have to be submitted before Wednesday and Saturday at midnight. Participation in each of these 5 weekly discussions is worth 7.5% of the final grade the total amount for discussions is 37.5% of the final grade. **In order to receive full grade on discussions, it is necessary to participate and contribute with material of substance in at least 2 more classmate's responses.**
- **Both the Midterm Exam and the Final Exam** will be in multiple-choice format and each is weighted at 20% of your overall grade. Specific study and review materials for these exams will be made available as exam dates approach. The Midterm will cover the first half of our course, while the final will cover the second half of our course.

The exam schedule is as follows:

- Midterm exam will be open from Sunday June 11th until Saturday June 17th, 2023.
- Final exam will be open from Sunday June 29th until Wednesday July 5th, 2023.

Rubric on Problem Sets and Discussions

<i>Rubric for Problem Sets</i>				
Category	4-7.5 %	3 %	2 %	1 %
Completion	Work is 100% complete. The student attempted every problem.	Work is about 75% complete.	Works is about 50% complete.	Work is about 25% complete.
Student Work	Student work is thorough and clear. All relevant diagrams or explanations are included, Answers demonstrate sophisticated	Student shows a moderate amount of work. Not all relevant diagrams or explanations are included. Answers demonstrate adequate	Student shows a marginal amount of work. Relevant diagrams or explanations are inadequate. Answers demonstrate weak	Student shows some work but it is grossly inadequate. Relevant diagrams or explanations are not included. Answers demonstrate minimum

	understanding of the concepts.	understanding of concepts.	understanding of concepts.	understanding of concepts.
Accuracy	Answers are essentially 100% accurate.	Answers are approximately 75% accurate.	Answers are approximately 50% accurate.	Answers are approximately 25% accurate.

<i>Rubric for Discussion Participation</i>			
<i>Category</i>	4 -7.5 %	2 - 3 %	1 %
<i>Participation</i>	Student participated in the discussion two or more times.	Student participated in the discussion at least once.	Student logged into the discussion but did not participate.
<i>Contribution</i>	Original ideas and/or constructive comments/questions were contributed to the discussion.	Useful comments or questions were contributed to the discussion.	There was little substantive contribution to the discussion.

5. Official Communications

Office Hours: As this is a purely online course, there will not on-campus office hours available. However, I will check Blackboard and email daily and respond to all questions and comments as quickly as possible. Further, the course chat site and discussion site will be monitored daily, and appropriate responses made.

Email: I use Blackboard as my main tool for communicating. However, you can also reach me at my email (fjp21nj@sulross.edu) as tool for communicating with individual students. You must be able to access your SRSU email account and make sure your inbox is not too full to receive messages. You are expected to check your email account regularly (multiple times per week). When you email me, you can expect a response within 24 hours, usually much more quickly.

Course Discussion Areas: While there is a discussion forum at the beginning of the course where students are asked to tell others in the class a little information about who they are, and a graded discussion forum associated with the chapters. There will also be a discussion forum dedicated to questions, problems, and comments specific to concepts in that chapter. Students are strongly encouraged to use this forum as I will monitor it closely and post suggestions and comments whenever necessary and appropriate. In the past, this has proven to be a useful component of the course in which students can share the challenges of understanding the material and completing assignments.

Feedback on Assignments: Assignments will be graded within one week of submission (hopefully much more quickly) and general as well as individual feedback will be provided.

6. Academic Misconduct

Students should familiarize themselves with the SRSU Student Code of Conduct. Cheating, plagiarism, and/or other form of academic misconduct are **NOT TOLERATED** in class. Any student found guilty of such misconduct will be subject to disciplinary actions. Including, but not limited to, **Zero** score on his/her class activities. Students in this class are expected to demonstrate scholarly behavior and academic honesty in the use of intellectual property. A scholar is expected to be punctual, prepared, and focused; meaningful and pertinent participation is appreciated. Examples of academic dishonesty include but are not limited to: Turning in work as original that was used in whole or part for another course and/or professor; turning in another person's work as one's own; copying from professional works or internet sites without citation; collaborating on a course assignment, examination, or quiz when collaboration is forbidden.

7. Classroom Climate of Respect

Importantly, this class will foster free expression, critical investigation, and the open discussion of ideas. This means that all of us must help create and sustain an atmosphere of tolerance, civility, and respect for the viewpoints of others. Similarly, we must all learn how to probe, oppose and disagree without resorting to tactics of intimidation, harassment, or personal attack. No one is entitled to harass, belittle, or discriminate against another on the basis of race, religion, ethnicity, age, gender, national origin, or sexual preference. Still we will not be silenced by the difficulty of fruitfully discussing politically sensitive issues.

8. Diversity Statement

I aim to create a learning environment for my students that supports a diversity of thoughts, perspectives and experiences, and honors your identities (including race, gender, class, sexuality, religion, ability, socioeconomic class, age, nationality, etc.). I also understand that the crisis of COVID, economic disparity, and health concerns, or even unexpected life events could impact the conditions necessary for you to succeed. My commitment is to be there for you and help you meet the learning objectives of this course. I do this to demonstrate my commitment to you and to the mission of Sul Ross State University to create an inclusive environment and care for the whole student as part of the Sul Ross Familia. If you feel like your performance in the class is being impacted by your experiences outside of class, please don't hesitate to come and talk with me. I want to be a resource for you.

9. Discrimination and Disability Accommodation

SRSU Disability Services. Sul Ross State University (SRSU) is committed to equal access in compliance with Americans with Disabilities Act of 1973. It is SRSU policy to provide reasonable accommodations to students with documented disabilities. It is the student's responsibility to initiate a request each semester for each class. Alpine students seeking accessibility/accommodations services must contact Mary Schwartze Grisham, M.Ed., LPC, SRSU's Accessibility Services Coordinator at 432-837-8203 (please leave a message and they'll get back to you as soon as we can during working hours), or email mschwartz@sulross.edu their office is located on the first floor of Ferguson Hall (Suite 112), and their mailing address is P.O. Box C-122, Sul Ross State University, Alpine, Texas, 79832.

10. Remote Online Courses Statement

Students enrolled in distance education courses have equal access to the university's academic support services, such as library resources, online databases, and instructional technology support. For more information about accessing these resources, visit the SRSU website. Students should correspond using Sul Ross email accounts and submit online assignments through Blackboard, which requires secure login. Students enrolled in distance education courses at Sul Ross are expected to adhere to all policies pertaining to academic honesty and appropriate student conduct, as described in the student handbook. Students in web-based courses must maintain appropriate equipment and software, according to the needs and requirements of the course, as outlined on the SRSU website. Directions for filing a student complaint are located in the student handbook.

11. Course Outline and Tentative Schedule

(Please remember that **this schedule is tentative** and it can be subject to changes, if appropriate changes are necessary they will be announced in the board).

Week	Day of the Week	What's Due?	Topic	Text Material
1	Sun June 4th	Discussion 1	Syllabus & Why Study Money, Banking, and Financial Markets?	Ch. 1
2	Thur June 8 th	PS 1	An Overview of the Financial System	Ch. 2
2	Sun June 11 th	Discussion 2	What is Money?	Ch. 3
3	Thur June 15 th	PS 2	The Meaning of Interest Rates	Ch. 4
3	Sun June 18 th	*****	Midterm Exam Week (Ch. 1, 2, 3, and 4)	
4	Thur June 22 nd	Discussion 3	The Behavior of Interest Rates	Ch. 5
4	Sun June 25 th	Discussion 4	Banking and the Management of Financial Institutions	Ch. 9
5	Thur June 29 th	Discussion 5	Central Banks and the Federal Reserve System	Ch. 13
5	Sun July 2 nd	PS 3	The Money Supply Process	Ch. 14
6	Thur July 5 th	*****	Final Exam Week (Ch. 5, 9, 13, and 14)	

-Last day to withdraw with a "W" is June 24th remember that it must be processed at the Registrar's Office by 4 PM

Final Disclaimer: I reserve the right to modify this syllabus with one week notice if I view doing so to be in the best interest of the educational process. The class will be notified of changes as soon as practical. Nothing in this syllabus is meant to conflict with the rules and regulations of SRSU, the college of business, nor the Department of Economics.