Economics 3229, Sec 1: Money, Banking and Financial Markets
Spring 2016

(Read and retain this syllabus. It’s a living document, does not represent a written contract and any changes made will be announced during the lectures)

Meeting Time
Mondays and Wednesdays from 9:00 am to 9:50 am.

Meeting Place
Waters Aud (Waters Hall 117).

Course Instructor
Name: George Chikhladze
Office: 237 Professional Building
Office Hours: Tuesdays, Thursdays and Fridays 1:00 – 2:00 or by appointment
Phone: 884 – 1588.
Email: chikhladzeg@missouri.edu (best way to contact me)

Course Overview
Money and banking is an exciting discipline that covers issues of importance in real life. This course provides an overview of the working of the financial and economic system and seeks to provide an understanding of how a financial economy operates. Problems arising from asymmetric information in markets are shown to be of vital importance in appreciating the structure and functioning of the financial system. Research in the areas of money, banking and financial markets is highly active, and deals with issues continuously in the news and the subject of vigorous policy debate. International concerns are also increasingly influencing the direction of discussion on financial economic issues. In the course, emphasis will be given to the role of asymmetric information in financial markets and associated regulatory issues that arise, the fundamentals of interest rates and financial institutions, the money supply process and the conduct of the Federal Reserve, the behavior of exchange rates and the international financial system, and rational expectations and the working of efficient markets.

Textbook

This course is part of our AutoAccess program designed to reduce the cost of course materials for students. You will be able to access the digital content for this course through the link provided in the e-mail that you should have received from the Bookstore. Please check your Mizzou e-mail or Blackboard for instructions. $70.99 will be charged to your student account on February 8th, 2016 for the cost of the digital course materials. There is an optional print loose-leaf available for sale at The Mizzou Store for $72.26.
Emergency related issues

In case of an emergency, military call-ups, sickness or death in the family affecting attendance the day of an exam or an online quiz, you will be excused from the exam or the quiz if and only if you follow this procedure:

You must provide your teaching assistant (TA) or the professor with your justification via e-mail and you must submit proper documentation to your TA in a timely manner (e.g. military order in advance, doctor’s note upon your return). When you go through a death in the family, you need to send us a statement, via e-mail, telling the deceased's name and the relationship to you and provide your TA with a copy of the obituary upon your return. Unexcused (i.e., no documentation) missed tests and quizzes will be scored as zeros.

A maximum of one quiz and one midterm can be excused during the semester. The excused quiz will be scored as the average of your other quizzes. Your performance on the final exam will replace your midterm score if you miss one of the midterms with an accepted excuse. If you miss more than one midterm or the final exam, you will automatically receive an “F”.

Note: If you have a valid excuse to miss two midterms or to miss the final on their scheduled dates, you will receive an “incomplete” for the semester grade.

Grades

Plus/Minus grades will be determined on the basis of two midterm examinations, a comprehensive final examination, online quizzes, and lab attendance. A maximum of 450 points can be earned in the course. The two midterm examinations will be worth 80 points each, the final will be worth 160 points, each quiz will be worth 10 points. There will be 10 quizzes during the semester, although only the best 9 will count to your quiz score. There are no make-up examinations. The score on the final exam will replace the lowest score on a midterm exam if the former is higher.

<table>
<thead>
<tr>
<th>Component</th>
<th>Points</th>
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</thead>
<tbody>
<tr>
<td>First midterm</td>
<td>40 questions, 2 points each</td>
</tr>
<tr>
<td>Second midterm</td>
<td>40 questions, 2 points each</td>
</tr>
<tr>
<td>Online quizzes (best 9)</td>
<td>10 questions, 1 points each</td>
</tr>
<tr>
<td>Final Exam (best 9)</td>
<td>80 questions, 2 points each</td>
</tr>
<tr>
<td>WSJ article discussions</td>
<td></td>
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<tr>
<td>Total course points</td>
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The letter grade is assigned based on the total points you can earn:

- A 90% (405 points) or more
- B 80% (360 points) or more to strictly less than 90% (405 points)
- C 70% (315 points) or more to strictly less than 80% (360 points)
- D 60% (270 points) or more to strictly less than 70% (315 points)
- F strictly below 60% (270 points)
Plus/minus grades:

For each letter grade, the bottom and top 3% respectively determine the minus/plus grades. Example: 83% to strictly less than 87% = “B”, and:

\[ 80\% \text{ to strictly less than } 83\% = \text{“B–”} \]
\[ 87\% \text{ to strictly less than } 90\% = \text{“B+”} \]

Quizzes

A total of 10 online quizzes will be given. Quizzes will be offered on Blackboard. The link to the quiz will appear on Blackboard under Assignments folder on Friday afternoons (See Quiz Schedule document) and will be available till 9:00 p.m. the following Sunday (exceptions to this schedule, due to snow days, etc., will be announced during the lecture). However, you will only have 25 minutes to complete the quiz. Once started quiz cannot be saved and must be completed. *Extremely important: while taking a quiz do not open any other windows, do not hit back button, etc. If you get disconnected for any reason, the system will not let you back in. That's why you should choose a reliable computer with a reliable connection. Hit save button often and when finished, hit submit.* Make sure you attend every lecture and lab (RSD) meeting to so that you know topics and problems covered for every quiz. Quizzes will be based on material already covered in lecture and in lab. Only highest 9 quiz scores will count which means you can drop one.

Note: Due to Reading Day falling on Friday, the last Quiz 10 will be offered earlier with a changed due date. Follow announcements made during the lecture.

Lecture Attendance

You are expected to attend every lecture. I will not make lecture notes public and all the important announcements and changes will be made in class, therefore, there is a clear and paramount benefit of attending every lecture. To motivate you even further, I will take attendance randomly. This will be done 5 times throughout the semester and each time you are there will award you 3 extra credit points. Moreover, I use mix of powerpoint slides and handwritten notes which means that when you come to the lecture, be ready to write stuff down.

Discussion Labs

Every Monday and Wednesday morning I will post a lab handout on Blackboard for Tuesday and Thursday labs, respectively. You are supposed to download the lab handout and work on the problems (or at least become familiar with) before meeting your TA in the lab. TAs will go through the problems together with you during the discussion labs. This is an excellent chance to ask questions related to the material or problems as we have limited opportunity to do so during large lectures.

One part of a lab handout will be a specific Wall Street Journal (WSJ) article(s) that’s relevant to the material that is covered. In addition, a lab handout will pose several questions related to these WSJ articles that you will need to answer by typing or printing on a piece of
paper and to bring it to the lab. TAs will collect your answers and grade it. There are possible 40 points from WSJ article discussions. E-mailed submission won’t be accepted and you will need to physically surrender your typed answers during a lab. Note that each student needs to submit his/her own work and TAs will check for similar answers from two or more students.

Help and Office Hours

You are encouraged to visit us during my or TA office hours. Please take into consideration that the material we cover is cumulative in nature and once you start falling behind it will be progressively more difficult to catch up. That is why it’s important to seek help early. We want you to succeed.

ACADEMIC INTEGRITY POLICY

Academic integrity is fundamental to the activities and principles of a university. All members of the academic community must be confident that each person's work has been responsibly and honorably acquired, developed, and presented. Any effort to gain an advantage not given to all students is dishonest whether or not the effort is successful. The academic community regards breaches of the academic integrity rules as extremely serious matters. Sanctions for such a breach may include academic sanctions from the instructor, including failing the course for any violation, to disciplinary sanctions ranging from probation to expulsion. When in doubt about plagiarism, paraphrasing, quoting, collaboration, or any other form of cheating, consult the course instructor.

Academic Dishonesty includes but is not necessarily limited to the following:

A. Cheating or knowingly assisting another student in committing an act of cheating or other academic dishonesty.
B. Plagiarism which includes but is not necessarily limited to submitting examinations, themes, reports, drawings, laboratory notes, or other material as one's own work when such work has been prepared by another person or copied from another person.
C. Unauthorized possession of examinations or reserve library materials, or laboratory materials or experiments, or any other similar actions.
D. Unauthorized changing of grades or markings on an examination or in an instructor's grade book or such change of any grade report.

ACADEMIC INTEGRITY PLEDGE: "I strive to uphold the University values of respect, responsibility, discovery, and excellence. On my honor, I pledge that I have neither given nor received unauthorized assistance on this work." Students are expected to adhere to this pledge on all graded work whether or not they are explicitly asked in advance to do so.

The University has specific academic dishonesty administrative procedures. Although policy states that cases of academic dishonesty must be reported to the Office of the Provost for possible action, the instructor may assign a failing grade for the assignment or a failing grade for the course, or may adjust the grade as deemed appropriate. The instructor also may
require the student to repeat the assignment or to perform additional assignments. In
instances where academic integrity is in question, faculty, staff and students should refer to
Article VI of the Faculty Handbook. Article VI is also available in the M-Book. Article VI
provides further information regarding the process by which violations are handled and sets
forth a standard of excellence in our community.

STUDENTS WITH DISABILITIES:

If you anticipate barriers related to the format or requirements of this course, if you have
emergency medical information to share with me, or if you need to make arrangements in
case the building must be evacuated, please let me know as soon as possible.

If disability related accommodations are necessary (for example, a note taker, extended time
on exams, captioning), please register with the Office of Disability Services
(http://disabilityservices.missouri.edu), S5 Memorial Union, 573- 882-4696, and then notify
me of your eligibility for reasonable accommodations. For other MU resources for persons
with disabilities, click on "Disability Resources" on the MU homepage.

INTELLECTUAL PLURALISM STATEMENT (FROM OFFICE OF THE PROVOST)

The University community welcomes intellectual diversity and respects student rights.
Students who have questions or concerns regarding the atmosphere in this class (including
respect for diverse opinions) may contact the Departmental Chair or Divisional Director; the
Director of the Office of Students Rights and Responsibilities (http://osrr.missouri.edu/); or
the MU Equity Office (http://equity.missouri.edu/), or by email at equity@missouri.edu. All
students will have the opportunity to submit an anonymous evaluation of the instructor(s) at
the end of the course.

Examination Dates

First Midterm Thursday, February 25 from 6:30 pm to 7:30 pm.
Second Midterm Thursday, April 7 from 6:30 pm to 7:30 pm.
Final Exam (Comprehensive) Monday, May 9 from 5:30 pm to 7:00 pm.

Other Important Dates

Last day to drop course without grade Feb 22
Last day to withdraw from a course May 2