

**Economics 3200**  
**Money and Banking**

Fall 2021, Tu/Th 12:25-1:45pm, M LI 1150, Credit Hours: 3

Instructor: Minqi Li, Professor  
Office: GC 4131  
Office Hours (by zoom): Tu/Th 11:30am-12:30pm  
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**Course Content / Description**

The course examines monetary and financial instruments, institutions, and markets from the perspectives of theory, practice, and policy. The major sections include the history and evolution of monetary and financial system, modern financial system and banking, macroeconomic theory and monetary policy. The course will also discuss stages of capitalist development and the economic and social impact of financialization.

**Course Objectives**

1. Help students to understand the operations of financial markets (such as bond and stock markets). The efficiency and stability of financial markets are crucial for channeling funds from lender-savers to borrower-investors. How well financial markets function is a key factor that helps to determine economic growth and business cycle behaviors.
2. Understand how banks and other financial institutions function as intermediaries in financial markets.
3. Examine the role of monetary policy.
4. Compare alternative theoretical perspectives on financial markets: mainstream, Keynesian and Marxian approaches.

**Textbook:**

Fredric S. Mishkin, *The Economics of Money, Banking, and Financial Markets*, 12th edition (Pearson, 2019) (available through inclusive access).

**Teaching and Learning Methods**

Lectures, homework, assignments, and visual materials

**Teaching During Covid-19**

As Delta and other variants of Covid virus continue to spread rapidly, we are dealing with a constantly evolving situation. University policy regarding teaching during the Covid crisis may change during the current semester. Currently, this is a regular in-person class.

To minimize the risk of Covid infection, the instructor strongly encourages every student to wear masks in classroom and observe social distancing.

To provide flexibility for students who may not be able to attend due to health or other reasons, attendance in class is not required. The instructor will record every class and make the recording available to students that do not attend classes in person through canvas. However, students are strongly encouraged to attend classes in person for best learning effectiveness. The instructor may take attendance for purpose of record (this record will not affect a student's grading). Students will be required to participate in in-class exams.

## **University Policies**

- 1. *The Americans with Disabilities Act.*** The University of Utah seeks to provide equal access to its programs, services, and activities for people with disabilities. If you will need accommodations in this class, reasonable prior notice needs to be given to the Center for Disability Services, 162 Olpin Union Building, (801) 581-5020. CDS will work with you and the instructor to make arrangements for accommodations. All written information in this course can be made available in an alternative format with prior notification to the Center for Disability Services.
- 2. *University Safety Statement.*** The University of Utah values the safety of all campus community members. To report suspicious activity or to request a courtesy escort, call campus police at 801-585-COPS (801-585-2677). You will receive important emergency alerts and safety messages regarding campus safety via text message. For more information regarding safety and to view available training resources, including helpful videos, visit [safeu.utah.edu](http://safeu.utah.edu).
- 3. *Addressing Sexual Misconduct.*** Title IX makes it clear that violence and harassment based on sex and gender (which Includes sexual orientation and gender identity/expression) is a civil rights offense subject to the same kinds of accountability and the same kinds of support applied to offenses against other protected categories such as race, national origin, color, religion, age, status as a person with a disability, veteran's status or genetic information. If you or someone you know has been harassed or assaulted, you are encouraged to report it to the Title IX Coordinator in the Office of Equal Opportunity and Affirmative Action, 135 Park Building, 801-581-8365, or the Office of the Dean of Students, 270 Union Building, 801-581-7066. For support and confidential consultation, contact the Center for Student Wellness, 426 SSB, 801-581-7776. To report to the police, contact the Department of Public Safety, 801-585-2677(COPS).
- 4. *Undocumented Student Support Statement.*** Immigration is a complex phenomenon with broad impact—those who are directly affected by it, as

well as those who are indirectly affected by their relationships with family members, friends, and loved ones. If your immigration status presents obstacles to engaging in specific activities or fulfilling specific course criteria, confidential arrangements may be requested from the Dream Center. Arrangements with the Dream Center will not jeopardize your student status, your financial aid, or any other part of your residence. The Dream Center offers a wide range of resources to support undocumented students (with and without DACA) as well as students from mixed-status families. To learn more, please contact the Dream Center at 801.213.3697 or visit [dream.utah.edu](http://dream.utah.edu).

### **Wellness Statement**

Personal concerns such as stress, anxiety, relationship difficulties, depression, cross-cultural differences, etc., can interfere with a student's ability to succeed and thrive at the University of Utah. For helpful resources contact the Center for Student Wellness - [www.wellness.utah.edu](http://www.wellness.utah.edu); 801-581-7776.

### **Faculty Responsibilities**

This instructor will:

1. Convene classes at their scheduled time unless a valid reason and notice is given.
2. Perform & return evaluations in a timely manner.
3. Inform students at the beginning of class of the following:
  - a. General content
  - b. Course activities
  - c. Evaluation methods
  - d. Grade scale
  - e. Schedule of meetings, topics, due dates.
4. Ensure that the environment is conducive to learning.
5. Enforce the student code.

*Should the instructor be late for class due to weather or other reasons, the department will be notified and a departmental representative will meet the class and inform students regarding when the class will begin. If the instructor is late, students may inquire by calling the economics department at 581-7481.*

### **Student Responsibilities**

All students are expected to maintain professional behavior in the classroom setting, according to the Student Code, spelled out in the student handbook. Students have specific rights in the classroom as detailed in Article III of the Code. The Code also specifies proscribed conduct (Article XI) that involves cheating on tests, plagiarism, and/or collusion, as well as fraud, theft, etc. Students should read the code carefully and know they are responsible for the content. According to Faculty Rules and Regulations, it is the faculty responsibility to enforce responsible class behaviors, and

the instructor will do so, beginning with verbal warnings, and progressing to dismissal from class, to a failing grade. Students have the right to appeal such action to the student behavior committee.

**Course Requirements and Grading:**

Homework and Assignments: 30%

First Midterm Exam: 20%

Second Midterm Exam: 20%

Final Exam: 30%

**Grading Schedule:**

A: 95-100%

A-: 90-94.9%

B+: 85-89.9%

B: 80-84.9%

B-: 75-79.9%

C+: 70-74.9%

C: 65-69.9%

C-: 60-64.9%

D+: 55-59.9%

D: 50-54.9%

D-: 45-49.9%

E: 0-44.9%

**Schedule:**

**Week 1**

August 24 and 26

**Introduction**

Mishkin, Chapter 1 and 2

**Week 2**

Aug 31 and Sep 2

**Money and Interest Rates**

Mishkin, Chapter 3 and 4

**Week 3**

September 7 and 9

**The Behavior of Interest Rates**

Mishkin, Chapter 5 and 6

Homework 1 to be assigned

**Week 4**

September 14 and 16

**The Stock Market and the Financial Structure**

Mishkin, Chapter 7 and 8

**Week 5**

September 21 and 23

**Banking and Financial Institutions**

Mishkin, Chapter 9 and 10

**Week 6**

September 28 and 30

**First Midterm Exam**

In class exam (Sep 28)

	First movie assignment (Sep 30)
<b>Week 7</b> October 5 and 7	<b>Capitalism and Financial Instability</b> Keynes, <i>The General Theory</i> , <a href="#">Chapter 12</a>
<b>Week 8</b> October 10-17	<b>Fall Break</b>
<b>Week 9</b> October 19 and 21	<b>Central Banking</b> Mishkin, Chapter 13 and 14
<b>Week 10</b> October 26 and 28	<b>The Conduct of Monetary Policy</b> Mishkin, Chapter 15 and 16 Homework 2 to be assigned
<b>Week 11</b> November 2 and 4	<b>International Finance</b> Mishkin, Chapter 17 and 18
<b>Week 11</b> November 9 and 11	<b>Second Midterm Exam</b> In class exam (Nov 9) Second movie assignment (Nov 11)
<b>Week 12</b> November 16 and 18	<b>Money and Aggregate Demand</b> Mishkin, Chapter 19 and 20
<b>Week 13</b> November 23	<b>Thanksgiving Week</b> Mishkin, Chapter 21
<b>Week 14</b> Nov 30 and Dec 2	<b>Aggregate Demand and Supply</b> Mishkin, Chapter 22 ad 23
<b>Week 15</b> December 7 and 9	<b>Review Week</b> Mishkin, Chapter 25
<b>Final Exam Week</b> December 13 (Monday)	<b>Final Exam</b> In class exam (10:30am-12:30pm)