

Econ 320 Money and Banking
Western Michigan University
Spring 2007

Instructor: Song Gao
Classroom: Dunbar Hall 4202
Class Time: MWF: 11:00 pm-11:50 pm
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Office Hours: MW: 2:00-4:00 pm, and by appointment.
Class Website: <http://homepages.wmich.edu/~s2gao/econ320index.htm>

Course Description:

This course provides an analysis of the role of money and its impact on the economy. We will examine the impact of money on inflation, unemployment, interest rates, income, and foreign exchange. The operations and relationships of commercial banks and the Federal Reserve are also examined.

Objectives:

This course seeks to develop conceptual tools that economists use to analyze money markets and monetary policy. By the end of the course you should have a clear understanding of the determination of interest rates, interactions between different financial institutions, the role of money, and the role of Federal Reserve in the U.S. financial system.

Textbook:

The Economics of Money, Banking, and Financial Markets, Frederic S. Mishkin, Alternative Edition (ISBN#0-321-42780-7).

Examinations:

There are **three midterm examinations** and a **final examination**. *Take this course only if you can take all four examinations as scheduled. Examinations cannot be taken earlier or later. A score of zero will be given to any examination with an unexcused absence.*

There are no make-up examinations for the midterms. For students who miss a midterm, but have a reasonable excuse *supported by legitimate documentation*, the score from the final exam will be counted twice. For example, if a student with an excused absence misses a midterm, and makes a 60 in the final examination, the student will score 60 for the final examination and 60 for the examination he or she missed.

Students who miss the final examination, and have a reasonable excuse *supported by legitimate documentation*, will receive an “incomplete” grade and be scheduled for a make-up final examination. A request for taking the make-up final exam must be approved by the instructor.

Students with disabilities are encouraged to register with the Office of Disabled Student Resource and Services, 387-2116. Thereafter, you are invited to see me to discuss accommodations and special needs.

Quizzes:

During the semester, you will receive twelve unannounced in-class quizzes. Each of them will account for 1.5% in your final score. Therefore, quizzes will make up 18% of your final grade of this class. No makeups will be given for missed quizzes.

Please be aware: All quizzes will be only given in the class and this 12% may be critical for your final performance in this class.

Tentative Schedule for the Exams:

EXAM	TENTATIVE DATE	MATERIAL (subject to changes to be announced in class)
Midterm #1	In class, Wednesday, Jan. 31	Chapters 2, 4, 5,
Midterm #2	In class, Wednesday, Feb. 28	Chapters 6, 7, 20
Midterm #3	In class, Friday, April 6	Chapters 8, 9, 13
Final Exam	Wednesday, April 25 (8:00 am- 10:00am)	Chapters 2, 4-9, 13, 20, 15-18

Grading:

Weights:

Highest midterm:	26%
Second highest midterm:	24%
Lowest midterm:	4%
Final examination:	28%
Quizzes:	18%

Tentative Grading Scale:

After the final examination, the weighted-average score is calculated, and the 100-point scale score will be transformed into the University grading system in following way:

<u>90 and above: A</u>	<u>85-89.99: BA</u>	<u>80-84.99: B</u>
<u>75-79.99: CB</u>	<u>70-74.99: C</u>	<u>60-69.99: DC</u>
<u>50-59.99: D</u>	<u>49.99 and below: E</u>	

Attendance Policy:

Students are required to attend the lectures. If you intend to miss more than two classes, you should drop this course. Students who miss the class will not receive handouts and announcements made in class.

The University Academic Honesty Policy: Academic Integrity:

You are responsible for making yourself aware of and understanding the policies and procedures in the Undergraduate (pp. 274-276) Catalog that pertain to Academic Honesty. These policies include cheating, fabrication, falsification and forgery, multiple submission, plagiarism, complicity and computer misuse. If there is reason to believe you have been involved in academic

dishonesty, you will be referred to the Office of Student Conduct. You will be given the opportunity to review the charge(s). If you believe you are not responsible, you will have the opportunity for a hearing. You should consult with me if you are uncertain about an issue of academic honesty prior to the submission of an assignment or test.