PRSREQUISITE: Econ 1. That’s it, nothing else recommended or required.

AUDITORS: None. You must be willing to make this class a priority to benefit from it. If you can’t make it a priority this term take it some other term!


IF YOU WANT TO DO FURTHER READING, FINANCIAL MEDIA CONSUMPTION, ETC.: consider *The Wall Street Journal*, *The Economist*; Planet Money podcasts.

GRADING:

- Class discussion: 40%
- Midterm: 20%
- Final: 40%

Exams are generally multiple choice and short-answer format. The only aids allowed during exams are one page of formulas (double-sided is OK), and a calculator.

If you would like your final exam returned and will not be on campus to pick it up, you must provide me with a self-addressed (regular or Hinman mail) envelope, no postage necessary.

I grade participation based on both quantity and quality of cold-called and voluntary responses in class. See also COURSE FORMAT AND ATTENDANCE below.

SCHEDULING, NOT SCHEMDULING: Note the exam dates and times in the schedule I hand out on the first day of class (also on Canvas). By enrolling in Ec26 you are committing to take the exams on those dates, at those times, on-campus. I do not reschedule exams or offer alternative dates/times to accommodate student conflicts. I do allow students participating in a College-sanctioned activity to take an exam offsite, *at the date and time listed on aforementioned the class schedule*. In any case where you think you are eligible to take an exam offsite you must obtain permission from, and make arrangements with, me at least one prior to the exam.
COURSE FORMAT AND ATTENDANCE: Each class covers one assignment. An assignment includes reading(s) and homework questions to prepare for discussion (not handing in). The assignment schedule, including the questions and readings for each assignment, is posted on Canvas.

At the beginning of each class, I will address any questions you may have on the assignment. I will then orchestrate discussion of the discussion by calling on students to present their answers. I do a combination of cold-calling from a list of random selections made BEFORE each class, and asking for volunteers.

The quality of your answers and your general contribution to class discussion will contribute significantly to your grade. If you are called upon and not in attendance or pre-excused you will receive a zero for the day.

You may excuse yourself from participating on a particular day by emailing me no more than 48 hours in advance of the class (you must put ec26 absence and your class time in the subject line; e.g., “ec26 absence 12 section”). You are free to use up to 5 such excuses during the term. Please be a “social planner” and internalize the negative externality of any contagious illness.

If I am teaching more than one section of Ec26, you may choose to attend the other section on a particular day by emailing me no more than 48 hours in advance of that day.

You must make regular, positive contributions to get a good class participation grade! There are many opportunities to volunteer. Not getting cold-called is not an excuse for not participating, you need to show me what you know.

ASSIGNMENTS AND ALL RELATED MATERIALS except for the textbook are on Canvas.

PREPARING YOURSELF: I strongly encourage to you to work in an informal (self-organized) study group to prepare the assignments.

Also, the Academic Skills Center organizes formal study groups, led by former Ec 26 students, for this course, and provides one-on-one tutors upon request.

Do NOT use the work of former students when preparing for assignments or exams! This is a violation of the Honor Code and more broadly self-defeating.

OFFICE HOURS, in 314 Rockefeller: Typically Tuesdays 3:30-4:30 (but check Canvas to be sure), or by appointment.

EMAIL PROTOCOL: I do not correspond directly with any of the dozens of students enrolled in Ec 26 in a given term (except for scheduling meetings). If you email me in advance of class to excuse yourself you can presume you are excused from class unless you have exceeded your 5-excuse allotment. If you email me with a correction, point of clarification, or question that makes a useful point, I will email the Ec 26 mailing list through Canvas or address it in class (without attributing you). If you email me with a
question that could be answered through careful perusal of the textbook, the syllabus, the Internet, or some other readily available source, I will not address your question.
Ec26 Fall 2015 Schedule

16-Sep Introductory lecture: only class for which you need not prepare!
18-Sep Ch. 1: Lending, payments, and risk-trading; Ch. 2: The "technology" of the financial system
21-Sep Ch. 3: Efficiency, stability, & government
23-Sep Ch. 4: Interest rates, exchange rates, & security prices
25-Sep Ch. 5: Understanding financial intermediaries
28-Sep Ch. 6: What is a bank?
30-Sep Ch. 7: The banking industry
    2-Oct Ch. 8: Payments and foreign exchange
    5-Oct Ch. 9: Insurance
    7-Oct Ch. 10: Pension funds and mutual funds
    9-Oct Ch. 11: Understanding securities markets
12-Oct Midterm (in class)
14-Oct Ch. 12: Government securities markets
16-Oct Ch. 13: Mortgage markets
19-Oct Ch. 14: Debt markets
21-Oct Ch. 14: Debt markets (cont.)
23-Oct Ch. 15: Equity markets
26-Oct Ch. 15: Equity markets (cont.)
28-Oct no class
30-Oct Ch. 16: Derivatives
    2-Nov Ch. 16: Derivatives (cont.)
4-Nov Ch. 17: Exchanges, trading systems, and infrastructure
6-Nov Ch. 18: Managing liquidity and risk
9-Nov Ch. 18: Managing liquidity and risk (cont.)
11-Nov no class
13-Nov Ch. 19: Bank safety, supervision, and regulation
16-Nov Ch. 20: Financial Crises, and The Great Recession
24-Nov final exam @ 11:30am