Instructor: Dr. Benjamin Keen

Class Times and Location:
Monday and Wednesday: 1:30pm-2:45pm, 174 Cate Center One, (Section 001)

Contact Information:
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Office Hours:
Monday and Wednesday: 12:00pm-1:00pm
By appointment

Course Description: Analysis of the role of money, banks and financial institutions in the economy. Topics include banking and financial intermediation, financial market regulation, monetary economics and economic fluctuations, and monetary policy.


Grading: Your final grade will be determined by three mid-term exams and a comprehensive final exam. Your grade will be calculated as follows:
+ Mid-Term Exams 60% total (20% each)
+ Final Exam 40% total
Letter grades will be assigned according to a percentage scale: 90-100% = A, 80-89% = B, 70-79% = C, 60-69% = D, and below 60% = F. To maintain equality of opportunity for all students in the class, no extra credit opportunities will be available to any student, regardless of circumstance. No exceptions.

Drop Policy: Students are allowed to drop this course regardless of their performance with a W until March 27. After March 27, the Dean’s approval is required to drop the course. Students may not change to audit status at any time during the semester. Under no circumstances will an incomplete, medical withdrawal, administrative withdrawal, or any other withdrawal be given to a student who has completed all course requirements. The economics department reserves the right to drop students from economics courses for non-attendance during the first week of classes or failure to meet course prerequisites. Those students wishing to drop a course after enrollment still have the responsibility for that drop.

Exams: There will be three mid-term exams and a final exam. The mid-terms will be given during class and the final will be given at the University designated time. All exams will be closed book and closed notes. The instructor will provide a formula sheet for each mid-term exam and the final. Those formula sheets will be made available to students for their viewing prior to the exam. The actual copy of the formula sheet utilized by students during the exam will be provided by the instructor at the time of the exam.
Exam Make-Up Policy: A student’s absence from a mid-term or final exam will only be considered excused if (1) there is a documented severe illness, death in the immediate family, provost-approved university sponsored activity, or a legally required activity; and (2) the student speaks directly (no e-mail or voice mail) no later than one class before a mid-term exam or no later than the last day of regularly scheduled classes, April 29, before the final exam unless an actual emergency prevents it. All other absences from any mid-term exam or the final exam will be automatically scored as a zero for that exam. A student excused from taking a mid-term exam will have that exam dropped and have the weight on their final increased by amount of the missed mid-term exam. No makeup mid-term exams will be given under any circumstances. In the event of an excused absence from the final, the student must contact me directly to make arrangements for a make-up final exam and shall be given a grade of incomplete until the make-up final exam is completed. University policy applies if a student has three or more finals on one day or two or more finals scheduled at the same time.

Exam Dates (tentative):
Midterm #1 – Monday, February 17.
Midterm #2 – Monday, March 9.
Midterm #3 – Wednesday, April 15.
Final – Thursday, May 7, 8:00am-10:00am.

Other Important Dates:
January 13 is the first day of class.
March 27 is last day to drop the course with a W without petitioning the College Dean.
April 29 is the last day of class.
May 1 is the last day to drop a course or withdraw from the University.

Class Attendance: You are expected to attend every class and are responsible for all material and announcements. The exams will be based largely on class discussions, so it is in your best interest to attend. As an added incentive, I will periodically take attendance and I reserve the right, solely at my discretion, to adjust upward or downward a student’s numerical final grade by no more than two points based on these attendance figures. It is your responsibility to inform me in a timely manner of any extended absence that is necessary for medical or other reasons. Please arrive to class on time. Entering after a lecture has begun is distracting to your classmates and to me, and you should avoid it as a courtesy. If you arrive late, please enter the room quietly and sit near the door. In order to avoid unnecessary distractions, all cellphones are required to be turned off while in the classroom. This includes the time immediately before and after the class ends. Failure to abide by these rules will result in, minimally, a request to leave the class.

Class Notes: Copies of the overheads presented each day will be available before class in pdf format on the class web page. These notes are made available to enable students to focus on understanding the material presented in class instead of spending time copying the overheads. These notes, however, are not a substitute for attending class. Finally, it is the student’s responsibility to obtain any corrections made to these notes in class.

Disclaimer: I reserve the right to make changes to the class schedule and exam dates. Any changes will be announced in class.

Notice: Any student who, because of a disabling condition, requires special arrangements in order to successfully complete the course must contact me as soon as possible to make the necessary accommodations.
**Academic Honesty:** I expect that ECON 4673 students will be truthful with me and will not knowingly take any action that violates the University of Oklahoma honor code. Any student who violates the honor code shall receive a zero for that exam. Further actions may be taken in consultation with the dean of the student’s college.

**Student Acceptance:** By enrolling in this class, the student accepts and agrees to the terms and conditions outlined above.

**Tentative Class Outline** (subject to change):

- **Mon., Jan. 13**  Why Study Money, Banking, and Financial Markets?
- **Wed., Jan. 15**  An Overview of the Financial System
- **Mon., Jan. 20**  **Martin Luther King Jr. Day: No Class**
- **Wed., Jan. 22**  What is Money?
- **Mon., Jan. 27**  The Meaning of Interest Rates
- **Wed., Jan. 29**  The Behavior of Interest Rates
- **Mon., Feb. 3**  The Risk and Term Structure of Interest Rates
- **Wed., Feb. 5**  The Stock Market
- **Mon., Feb. 10**  An Economic Analysis of Financial Structure
- **Wed., Feb. 12**  Banking and the Management of Financial Institutions
- **Mon., Feb. 17**  **Midterm Exam #1**
- **Wed., Feb. 19**  Discuss Midterm Exam #1
- **Mon., Feb. 24**  Economic Analysis of Financial Regulation
- **Wed., Feb. 26**  Banking Industry: Structure and Competition
- **Mon., Mar. 2**  Financial Crises
- **Wed., Mar. 4**  Central Banks and the Federal Reserve System
- **Mon., Mar. 9**  **Midterm Exam #2**
- **Wed., Mar. 11**  The Money Supply Process
- **Mon., Mar. 16**  **Spring Break: No Class**
- **Wed., Mar. 18**  **Spring Break: No Class**
- **Mon., Mar. 23**  Tools of Monetary Policy
- **Wed., Mar. 25**  Discuss Midterm Exam #2
- **Mon., Mar. 30**  The Conduct of Monetary Policy
- **Wed., Apr. 1**  The Quantity Theory, Inflation, and the Demand for Money
- **Mon., Apr. 6**  The IS Curve
- **Wed., Apr. 8**  The Monetary Policy and Aggregate Demand Curves
- **Mon., Apr. 13**  Aggregate Demand and Supply Analysis
- **Wed., Apr. 15**  **Midterm Exam #3**
- **Mon., Apr. 20**  Discuss Midterm Exam #3
- **Wed., Apr. 22**  Monetary Policy Theory
- **Mon., Apr. 27**  The Role of Expectations in Monetary Policy
- **Wed., Apr. 29**  Transition Mechanisms of Monetary Policy

**Thur., May 7**
**Final Exam**