

University of Southern California
Econ 357: Money, Credit, and Banking
Fall 2024

Information

Professor: John Bellows
jbellows@usc.edu
Kaprielian Hall (KAP), Room 302b
Office Hours: Tuesday and Thursday, 8:30-9:30a

TA: Jin Seok Park
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KAP 363
Office Hours: Tuesday, 11:30a – 1:00p

Lecture: Taper Hall (THH), Room 210
Tuesday and Thursday, 10:00 – 11:20a

Textbook: “The Economics of Money, Banking, and Financial Markets”
Frederick Mishkin, 13th Edition

Reading Assignments

Students are expected to complete the assigned readings *before* each lecture. The readings will consist of chapters from the textbook, as well as occasional supplemental news or academic articles. All readings will be listed on Brightspace.

Lecture Slides and Notes

Lecture slides will be posted to Brightspace the day before each lecture. Lectures will closely follow the structure and content of the slides. However, the information contained in the slides will not be comprehensive. I will supplement the information in the slides with writing on the chalkboard. Students are encouraged to take their own notes during class, as the posted lecture slides will be a poor (incomplete) record of the material.

Participation

Students are expected to attend lectures. Students are also expected to actively participate during the lecture, both by taking notes and by asking and answering questions. To encourage participation, the final grades will include a participation score (10% of final grade).

Participation will be evaluated in two ways:

1. *Notetakers*. Each class there will be two assigned notetakers. The assigned notetakers will then post their notes to Brightspace for the other students to reference.
2. *Answering questions*. I will regularly call on students to answer questions during the class. Students who are absent or are otherwise unable to answer when called upon will receive another chance, probably during a later class.

To be clear, my intent will be to encourage participation, rather than to assess mastery. Everybody is learning. Learning requires trying. Everybody should expect to receive the full 10% for the participation score.

Email

I will respond to emails within 48 hours. If you have an urgent issue, it is much better to talk in person, either at office hours or after class. I will not be able to answer questions about course material over email. There will be plenty of time during lectures for questions on the material, or during scheduled office hours.

Grades and Exams

Grades will be computed as follows:

Participation	10%
Midterm 1	20%
Midterm 2	30%
Final	40%

We will discuss example exam questions during lectures. The textbook also has practice questions. Students who attend lectures and complete the assigned reading will be well prepared for the exams.

Course Content and Readings

NOTE: The syllabus is subject to changes and additions. Updates will be posted on Brightspace and students will be notified via email.

Introduction

Week 1 Topic: Why Should You Study Money and Banking?
 Dates: August 27 and 29
 Reading: Mishkin, Chapters 1 and 2

Interest Rates and Equity Markets

Week 2 Topic: Meaning of Interest Rates
 Dates: September 3 and 5
 Reading: Mishkin, Chapter 4

Week 3 Topic: Behavior of Interest Rates
 Dates: September 10 and 12
 Reading: Mishkin, Chapter 5

Week 4 Topic: Risk and Term Structure of Interest Rates
 Dates: September 17 and 19
 Reading: Mishkin, Chapter 6

Week 5 Topic: Stock Market
 Dates: September 24
 Reading: Mishkin, Chapter 7

Mid-term #1: Thursday, September 26; normal class time/location

Financial Institutions

Week 6 Topic: Economic Analysis of Financial Structure
 Dates: October 1 and 3
 Reading: Mishkin, Chapter 8

Week 7 Topic: Banks and Other Financial Institutions
 Dates: October 8 (no class on October 10)
 Reading: Mishkin, Chapter 9

Week 8 Topic: Banking Industry: Structure and Competition
 Dates: October 15 and 17
 Reading: Mishkin, Chapter 11

Week 9 Topic: US Treasury Department and Regulators
 Dates: October 22 and 24
 Reading: Mishkin, Chapter 10

Federal Reserve

Week 10 Topic: Introduction to the Federal Reserve
 Dates: October 29
 Reading: Mishkin, Chapter 13

Mid-term #2: Thursday October 31; normal class time/location

Week 11 Topic: Money Supply
 Dates: November 5 and 7
 Reading: Mishkin, Chapter 14

Week 12 Topic: Tools of Monetary Policy
 Dates: November 12 and 14
 Reading: Mishkin, Chapter 15

Week 13 Topic: Conduct of Monetary Policy: Strategy and Tactics
 Dates: November 19 and 21
 Reading: Mishkin, Chapter 16

Financial Crises

Week 14 Topic: Great Financial Crisis, 2007-2008
 Dates: November 26 (no class on Nov 28)
 Reading: Mishkin, Chapter 12

Week 15 Topic: More Financial Crisis
 (Maybe: What is Money / Cryptocurrencies)
 Dates: December 3 and 5
 Reading: TBD

Final Exam: Thursday, December 12 at 11:00 am, Location TBA

Statement on Academic Conduct and Support Systems

Academic Conduct:

Plagiarism – presenting someone else’s ideas as your own, either verbatim or recast in your own words – is a serious academic offense with serious consequences. Please familiarize yourself with the discussion of plagiarism in SCampus in Part B, Section 11, “Behavior Violating University Standards” policy.usc.edu/scampus-part-b. Other forms of academic dishonesty are equally unacceptable. See additional information in SCampus and university policies on scientific misconduct, policy.usc.edu/scientific-misconduct.

Support Systems:

Counseling and Mental Health - (213) 740-9355 – 24/7 on call
studenthealth.usc.edu/counseling

Free and confidential mental health treatment for students, including short-term psychotherapy, group counseling, stress fitness workshops, and crisis intervention.

National Suicide Prevention Lifeline - 1 (800) 273-8255 – 24/7 on call
suicidepreventionlifeline.org

Free and confidential emotional support to people in suicidal crisis or emotional distress 24 hours a day, 7 days a week.

Relationship and Sexual Violence Prevention Services (RSVP) - (213) 740-9355(WELL), press “0” after hours – 24/7 on call

studenthealth.usc.edu/sexual-assault

Free and confidential therapy services, workshops, and training for situations related to gender-based harm.

Office of Equity and Diversity (OED) - (213) 740-5086 | Title IX – (213) 821-8298
equity.usc.edu, titleix.usc.edu

Information about how to get help or help someone affected by harassment or discrimination, rights of protected classes, reporting options, and additional resources for students, faculty, staff, visitors, and applicants.

Reporting Incidents of Bias or Harassment - (213) 740-5086 or (213) 821-8298
usc-advocate.symplicity.com/care_report

Avenue to report incidents of bias, hate crimes, and microaggressions to the Office of Equity and Diversity | Title IX for appropriate investigation, supportive measures, and response.

The Office of Disability Services and Programs - (213) 740-0776
dsp.usc.edu

Support and accommodations for students with disabilities. Services include assistance in providing readers/notetakers/interpreters, special accommodations for test taking needs, assistance with architectural barriers, assistive technology, and support for individual needs.

USC Campus Support and Intervention - (213) 821-4710

campussupport.usc.edu

Assists students and families in resolving complex personal, financial, and academic issues adversely affecting their success as a student.

Diversity at USC - (213) 740-2101

diversity.usc.edu

Information on events, programs and training, the Provost's Diversity and Inclusion Council, Diversity Liaisons for each academic school, chronology, participation, and various resources for students.

USC Emergency - UPC: (213) 740-4321, HSC: (323) 442-1000 – 24/7 on call

dps.usc.edu, emergency.usc.edu

Emergency assistance and avenue to report a crime. Latest updates regarding safety, including ways in which instruction will be continued if an officially declared emergency makes travel to campus infeasible.

USC Department of Public Safety - UPC: (213) 740-6000, HSC: (323) 442-120 – 24/7 on call

dps.usc.edu

Non-emergency assistance or information.