

**UNIVERSITY OF DETROIT MERCY**  
**ECN 5850 – SEMINAR IN MONETARY AND FISCAL POLICY (UC)**  
**WINTER - 2016 On Campus**

**Instructor:** Joseph A. Weglarz - Lecturer

**Office Hours:** Macomb University Center: Tuesday and Thursday (1-4 p.m.)  
Briggs Room 321: Monday, Wednesday, Friday (11 a.m. – 12 p.m.)

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**Seminar in Monetary and Fiscal Policy students are expected to:**

- Critically analyze articles and handouts in diverse areas of monetary and fiscal policy
- Employ multiple critical and creative thinking strategies in reasoning and problem-solving related to monetary and fiscal policy theories and future strategies
- Understand the fundamental concepts of monetary and fiscal policy
- Identify the leading theoreticians in the areas of monetary and fiscal policy

**Course Objectives:** The student will be able to:

- Understand the various aspects of monetary and fiscal policy during the last century
- Identify and chronicle the leading proponents of central banking in the United States
- Understand various monetary theories and their explanation of business cycles
- Chronicle the evolution of money and banking in the United States
- Understand the evolution and importance of portfolio management
- Investigate the various explanations of the Great Recession
- Examine the “monetary superpower” hypothesis
- Understand the role and importance of the central banking function
- Examine the microeconomics of central banking
- Explore the relationship between monetary expansion and deficit spending
- Identify the various economic explanations of the Great Recession
- Understand the complex structure of the Federal Reserve and the myth of Federal Reserve independence
- Examine the relationship between the gold standard and the relevance of the central banking function
- Explore the central banking function as a source of financial instability
- Examine the speculative financial bubbles from the colonial era – early 2000s
- Compare and contrast monetary and fiscal policy
- Understand the relationship between the recent housing bubble and Federal Reserve policies
- Identify strategies and policies in the creation of a better monetary system

**Texts:** Rothbard, Murray, N. *A History of Money and Banking in the United States: The Colonial Era to World War II*. Auburn, AL: Ludwig von Mises Institute, 2002.

Beckworth, David, ed. *Boom and Bust Banking: The Causes and Cures of the Great Recession*. Oakland: The Independent Institute, 2012.

Additional readings and handouts will also be used as supplements to the assigned texts.

**Course**

**Description:** A study of monetary and fiscal policies designed to achieve maximum employment, price stability, and economic growth.

**Examinations:** There will be five quizzes and three exams.

Your grade will be based on: 500/5 = Final Grade

3 exams @ 100 pts. = 300

5 quizzes @ 50 pts. = 200

\*Note: lowest quiz score will be automatically dropped!

**Examinations and Quizzes:**

Students are required to take all five quizzes and all three examinations. Failure to take all five quizzes and the three examinations will result in an automatic ½ grade reduction.

Make-up quizzes and exams will only be given if the student can verify an emergency.

**Grading:** The University of Detroit Mercy grading scale is as follows:

A 100 – 93

A- 92 – 90

B+ 89 – 87

B 86 – 83

B- 82 – 80

C+ 79 – 77

C 76 – 67

D 66 – 60

F 59 - 00

**Quizzes:**

Quizzes will cover handouts and *A History of Money and Banking in the United States* by Murray N. Rothbard. The book will be covered in the following order: **Quiz I:**

Introduction and Part 1; **Quiz II:** Part II; **Quiz III:** Part III; **Quiz IV:** Part IV; **Quiz V:** Part V.

**Examinations:** Examinations will cover lecture material and other texts.

Exam I will cover:

1. *Boom and Bust Banking* – Introduction and Chapters 1-4
2. Readings / Handouts

Exam II will cover:

1. *Boom and Bust Banking* – Chapters 5-8
2. Readings / Handouts

Exam III will cover:

1. *Boom and Bust Banking* – Chapters 9-12
2. Readings / Handouts

<u>WEEK</u>	<u>DATE</u>	<u>LECTURE TOPICS</u>
1	01/11	Introduction and Overview
2	01/19	Pre-history of the Federal Reserve
3	01/25	Role and Importance of Central Banking
4	02/01	Monetary Policy and the Financial Crisis <b>QUIZ I</b> (Rothbard, Intro and Part 1)
5	02/08	The Economic Boom of the early 2000s
6	02/15	<b>EXAMINATION I</b>
7	02/22	The Great Recession I
8	02/29	The Great Recession II <b>QUIZ II</b> (Rothbard, Part 2)
9	03/07	<b>Mid-Winter / Spring Break (3/7 – 3/12)</b>
10	03/14	The Great Recession III <b>Quiz III</b> (Rothbard, Part 3)
11	03/21	Recession and Illiquidity
12	03/28	<b>EXAMINATION II</b>

13	04/04	Future Issues in Monetary and Fiscal Policy I Monetary Expansion and Deficit Spending <b>QUIZ IV</b> (Rothbard, Part 4)
14	04/11	Future Issues in Monetary and Fiscal Policy II <b>QUIZ V</b> (Rothbard, Part 5)
15	04/18	Future Issues in Monetary and Fiscal Policy III
16	04/26	Final Exam Week <b>EXAMINATION III</b>

### **Compliance with UDM Student-Related Policies**

Students of the University of Detroit Mercy are expected to comply with all policies and practices established by the College and/or University. Listed below are a few specific UDM policies, however the list is not intended to be exhaustive. A complete listing of all UDM policies can be found in the UDM Student Handbook, and students are expected to be familiar with all UDM student-related policies.

### **Student Course Evaluations**

Student course evaluations are an important source of information for curricular and teaching improvement in the College of Liberal Arts and Education. As such, all students enrolled in CLAE courses are strongly encouraged to complete an online course evaluation. Course evaluations are completed during the two weeks prior to the deadline for faculty to submit final grades each semester. Information is provided to students through email explaining how to complete the evaluation online.

### **Available Support Services**

The University of Detroit Mercy has a wide array of support services available to all students that include the library, media center, tutoring (UAS, 3<sup>rd</sup> Floor of Library) and Writing Center (Briggs 135). The UDM Student Handbook contains complete information regarding location and hours of operation of the University's support services. Students are encouraged to utilize the support services provided by the University, as needed.

### **UDM Policy on Plagiarism and Academic Integrity**

As members of an academic community engaged in the pursuit of truth and with a special concern for values, students are expected to conform to a high standard of honesty and integrity in their academic work. The fundamental assumption under which the University operates is that work submitted by a student is a product of his/her own efforts.

Among the most serious academic offenses is plagiarism, submitting the style of another author or source without acknowledgment or formal documentation. Plagiarism occurs when specific phrases or entire passages, whether a sentence, paragraph or longer excerpt, are incorporated into one's own writing without quotation marks or documentation. One also plagiarizes by paraphrasing the work of another, that is, retaining another writer's ideas and structure without documentation.

Students are advised always to set off another writer's exact words by quotation marks, with appropriate references. Students avoid plagiarism by concentrating on their own words and ideas and by fully crediting others' words and ideas when they find their way into the writing. Whenever in doubt, cite the source.

Students that purchase essays from other students or agencies or who copy from one another or from prohibited sources, commit the most serious type of academic dishonesty. The consequences of plagiarism, or any act of academic dishonesty, may range from failure on an assignment or in a course to dismissal from the University.

**Disability Support Services and Accommodations:**

It is very important for students to be proactive with regard to requesting disability accommodations. While it is never required that you disclose your disability to your professors, all students at UDM are encouraged to talk to their professors to discuss their concerns. Faculty cannot provide disability accommodations without official notification from the Disability Support Services office. If you need an accommodation because of a disability, if you have emergency medical information to share, or if you need special arrangements in case the building must be evacuated, please contact Emilie Wetherington as soon as possible to schedule an appointment ([gallegem@udmercy.edu](mailto:gallegem@udmercy.edu) or (313) 578-0310). Disability Support Services is located in the Student Success Center, Room 319, on the 3rd Floor of the Library, McNichols Campus.

**Statement Regarding  
Professional Conduct:**

Student communications to and with the professor shall at all times be conducted in a professional and courteous manner.