Course Sections: Class MW1:15pm-3pm in Gerlach 305

Professor Brandl: Office: 738 Fisher Hall
Office Hours: TBA or by appointment
Phone: 614-292-0868
Email: brandl.4@osu.edu

Course Description

This course will equip the student with an economics based framework that will enhance their further analysis of finance and financial markets. In this course we will delve into the issues of consumer behavior, markets and organizations, in order to understand their links to financial markets and financial decision making. In the course we will examine complex issues that do not lend themselves to simplistic “cookie cutter” solutions. Instead this course will demand of the students the ability to link a variety of abstract concepts and theories to actual financial market outcomes with an emphasis on actual application.

As such, this is a course in applied microeconomics. Throughout the course we will develop the tools of economic analysis and apply them to the important problems facing financial market participants, firm managers and policymakers. However, when traditional economics does not adequately address a question at hand we will move beyond the traditional boundaries of economics and use the tools of historical analysis, political science, management theory and other fields as deemed necessary. The ultimate goal is to strengthen students’ ability to identify the root causes of problems, to formulate effective solutions, and to adopt effective approaches of implementation.

While this is not a course strictly in economic theory, various economic theories will be used in analyzing problems faced by financial market participants and regulators. While the material will be theoretical and analytical, higher math skills will not be required. Knowledge of basic calculus, while beneficial, is not mandatory. What is mandatory is the ability to question, contemplate and discuss in non-threatening way the issues we will cover.

The course material is cumulative, making it imperative that the student keep up with the readings, to pay close attention to class discussion and to take complete/concise notes. Failure to do so leaves students lost, confused and frustrated when it comes time to apply the material. It is highly recommended that you review the course material on a regular, daily basis to ensure your mastering of the course material.

Required Texts/Readings

You can purchase any form you would like: eBook, loose leaf, hardcopy and either purchase or rent.
All other required readings will be posted on Carmen.

**Suggested Readings:** This course stresses “real world” applications. The *Wall Street Journal* and the *Financial Times* both provide national and international news as well as detailed information on financial markets. The WSJ and/or the FT are a must for any serious business student. There is often a high correlation between those students who read the WSJ and/or FT on a regular basis and those who do well in the course. The *Economist* is an outstanding weekly British newsmagazine. It analyzes the week’s events and surveys financial market developments. The Economist is also a must for those serious about understanding the functioning of financial markets.

**Grade Determination**

**Grading Policies and Practices:** With the objective of establishing as dynamic and effective a learning environment as possible, the course requires a commitment on your part not only to attend all classes, but to prepare fully and to participate. We will work together to create an environment in which open, rigorous discourse is the standard. Thus, each of you must be willing not only to share your ideas and analysis with your colleagues, but be open to challenges of those ideas.

The following are the fundamental principles for grading in this course:

- The requirements of the course are identical for everyone. This means it is not possible to “make up” for poor performance through “extra credit” work.
- The midterm and final exams cannot be retaken or taken at other than the scheduled time except under circumstances of extreme hardship.
- As required by school policy, grading will be based on relative rather than absolute standards. The average grade in this course will be a 3.6 or lower. A B (3.00) average in core courses and overall is required to earn a graduate degree from The Ohio State University.
- It is possible to earn any of the official OSU grades, from A to E, in this course.
- Sometimes alleged cases of academic misconduct arise due to apparent confusion over the degree of collaboration allowed on assignments. University policy clearly states that it is each student’s responsibility to resolve issues that appear ambiguous directly with the faculty member. However, to help create clarity and avoid potential misunderstanding, we use the following letters to indicate the degree of collaboration allowed on each assignment.

  N: No Collaboration of Any Kind Allowed
  T: Collaboration with Teammates Only Allowed
  A: Collaboration with All Fellow Students Allowed
  U: Unlimited Collaboration with All Fellow Students and Other Parties Allowed

**Final Grade Calculation:** The following criteria is used in the calculation of your final grade. The final grade assigned is an informed and final evaluation and not the beginning offer in a bargaining process. If an error occurs in the calculation of your grade, please notify the Professor during the beginning of the following term and actions will be taken to correct any errors.
Please do NOT contact the TA or the instructor to "lobby" for a higher grade. Any lobbying efforts (i.e. asking for a higher grade simply because you want one or need one) will not be tolerated.

**Mid Term Exam:  35% (N, no collaboration)**

**Cumulative Final Exam:  40% (N, no collaboration)**

**Group Projects (four):  15% (T, Team only – includes peer evaluation)**

**Class Contribution:  10% (N, no collaboration)**

Below each element of the grade is described in more detail.

**Attendance and Class Contribution:** Attendance and contribution are extremely important. Attendance at each session is mandatory. Most of your learning will occur in preparation for and participating in the case discussions. To enhance your preparation and learning, **we strongly encourage you to work with your first year team or to form study groups to discuss the day’s material prior to class.**

As noted earlier, the complexity of the course material relies heavily on discussion learning. This process allows the cumulative insights of your colleagues to contribute to the evolution of the class’s learning. Thus, the entire class learning experience relies on each of you taking responsibility for contributing to the discussion. In order to do so, **it is imperative that each of you arrives on time and fully prepared each day.**

In order to emphasize the necessity to be prepared for and to contribute to each class, class contribution will comprise a significant portion of your grade. As is the case with real world work environments, you are judged by what you **contribute.** Even if you feel that you know the material, unless you share your insights with the class, no one can adequately evaluate your preparedness and contribution. Students are not penalized for making comments that don’t appear to be the “right answer.” It is only through consideration of many diverse opinions and viewpoints that we will move toward a greater shared understanding of the multi-dimensional material that this course includes.

**Standards of Integrity and Conduct:** Each student in this course is expected to be familiar with and abide by the principles and standards set forth in The Ohio State University’s code of student conduct and code of academic conduct. You can view these documents or download pdf versions at:


It is also expected that each student will behave in a manner that is consistent with the Fisher Honor Statement, which reads as follows:

> As a member of the Fisher College of Business Community, I am personally committed to the highest standards of behavior. Honesty and integrity are the foundations from which I will measure my actions. I will hold myself accountable to adhere to those standards. As
a future leader in the community and business environment, I pledge to live by these principles and celebrate those who share these ideals.

While most students have high standards and behave honorably, like every academic institutions we sometimes encounter cases of academic misconduct. It is the obligation of students and faculty to report suspected cases of academic and student misconduct. Students can report suspected violations of academic integrity or student misconduct to faculty or to a program's leadership. All reported cases of academic misconduct are actively pursued and confidentiality is maintained.

It is important to appreciate that every student is an important cog in the class discussion, and that it is equally important that each of us listen carefully to one another and attempt to build on or constructively critique prior comments. Please resist the temptation to jump to topics that are not specifically open for discussion. It is also important to note that you are rewarded for your contribution, not just participation. Your contribution score will be based on how much you contribute to the class’ learning, not just by how much you talk in class. Some of the specific things that will have an impact on effective class participation and on which you will be evaluated include:

- Is there a willingness to take intellectual risks and test new ideas, or are all comments “safe”? (Safe comments include repetition of case facts without analysis or conclusions or repeating comments that have already been made by someone else.)
- Are the points made relevant to the discussion? Are they linked to the comments of others and to the themes that the class is exploring together?
- Do the comments add to our understanding of the situation? Are they incisive? Do they cut to the core of the problem?
- Is there a willingness to challenge the ideas that are being expressed?
- Does the participant integrate material from past classes or the readings where appropriate? Do the comments reflect cumulative learning over the course and the program curriculum, or does the participant merely consider each case in isolation?
- Is theoretical material applied effectively and appropriately?

Finally, we understand that participating in class can be an intimidating experience initially, and we will try to help you as much as we can.

**Group Projects:** A document detailing each group project will be handed out approximately three days or more prior to the project’s due date. Each project is to be conducted in your assigned teams. The team deliverable will be a Word Document that records the groups responses to the questions posed. Each team member will be assigned the same marks. **Following each project, there may be a peer assessment survey of individual contributions to team efforts.** The outcome of the peer assessment may cause an individual’s overall group projects score to be raised or lowered. Group projects will be due at the beginning of class on the assigned dates.
Exams: The exams will be closed book, closed notes exam. No study sheets, crib notes or other aids will be allowed. The exams will cover material covered in the assigned readings and class discussions. The test will consist of some combination of short answer and multiple choice questions.

Grade Appeal Policy: Grades on exams and assignments are intended to reflect the overall quality of performance of the student(s). If you think your grade on an exam or assignment does not reflect the quality of your performance, submit a clear written explanation of your reasoning within one week after the return of your assignment or test. The written document need not be long, but must clearly identify the problem or issue of concern. I will carefully consider all such appeals. There will be no grading appeals after the one-week deadline has passed.

SEATING ARRANGEMENTS

We would like each of you to sit in the same seat each day. This helps us keep track of class participation, and makes it easier for you to interact with each other during class discussions. Please sit in your preferred seat during the second session.

ELECTRONIC DEVICES

All electronic devices (e.g. laptops, cell phones, etc.) are not to be used in class. They should be put away during class time. This includes the sending and receiving of text messages. Note: the use of laptops to take notes in class is strictly forbidden. Persistent violation of this rule will result in a final grade reduction of one full letter grade.

OFFICE APPOINTMENTS

I am available to discuss any issues of concern to you on an individual basis either after class or in my office during office hours and/or any other time I am in my office. Feel free to stop by my office at any time or you may call my office or email me to make an appointment for an office visit. So that we can be better prepared for your visit, please give me a general idea of the topic you’d like to discuss. We typically attempt to schedule 15 minute appointments; if you believe you will require more time, please request a longer appointment.

DISABILITY SERVICES

(http://ods.osu.edu/faculty_syllabus.asp)

Any student who feels s/he may need an accommodation based on the impact of a disability should contact me privately to discuss your specific needs. Please contact the Office for Disability Services at 614-292-3307 in room 150 Pomerene Hall to coordinate reasonable accommodations for students with documented disabilities.
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<th>Topic</th>
<th>Required Readings</th>
<th>Group Projects</th>
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<td>1</td>
<td>Thur 21-Aug</td>
<td>Intro, Supply &amp; Demand</td>
<td>Baye Ch 1 - 3</td>
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<td>2</td>
<td>Tues 2-Sep</td>
<td>Loanable Funds &amp; Elasticity</td>
<td>Baye Ch 1 - 3</td>
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<td>3</td>
<td>Thur 4-Sep</td>
<td>Utility &amp; Savings</td>
<td>Baye Ch 4</td>
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<td>4</td>
<td>Tues 9-Sep</td>
<td>Production &amp; Costs</td>
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<td>5</td>
<td>Thur 11-Sep</td>
<td>More on costs &amp; profits</td>
<td>Baye Ch 5</td>
<td>#2 handed out</td>
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<td>6</td>
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<td>Market Structures</td>
<td>Baye Ch 7 &amp; 8</td>
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<td>8</td>
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<td><strong>Mid Term Exam</strong></td>
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<td>10</td>
<td>Tues 30-Sep</td>
<td>Why Banks are special</td>
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<td>11</td>
<td>Thur 2-Oct</td>
<td>Regulation of Fin Mkts</td>
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<td>12</td>
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<td>Financial Crises</td>
<td>See Carmen</td>
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<td>Financial Markets Today</td>
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<td>Thur 16-Oct</td>
<td><strong>Cumulative Final Exam</strong></td>
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