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Office Hours: M: 4:20 to 5:20
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Course Assistants: Carlos Hernandez, clh265@cornell.edu
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Prerequisites: Comfort with Calculus;
Intermediate Macro or Accelerated Macro

Requirements: 1 paper and/or 1 classroom presentation, weekly problem sets, participation, attendance, 2 prelims, no final

Assignments: On www.karlshell.com and Blackboard

Evaluation: Participation 10%
Homework 10%
First Prelim 20%
Second Prelim 20%
Presentation 40% (see Presentation Tips)
Extra credit is also available.

First Reading List

Articles

Articles can be found at CU e-Library or at www.karlshell.com.
From a Cornell computer, articles can also be read and downloaded through the reading list posted on [www.karlshell.com](http://www.karlshell.com).

**Money & Finance**


- Shell website section on Taxes Denominated in Money


**Banking & Bank Runs**


**Overlapping Generations**

• Paul A. Samuelson, “An Exact Consumption-Loan Model of Interest with or without the Social Contrivance of Money,” Journal of Political Economy, (December 1958) 467-482


Excess Volatility


BitCoin

• Nakamoto, Satoshi (October 2008). “Bitcoin: A Peer-to-Peer Electronic Cash System”

• BitCoin Wiki’s academic research page

Books

Books are optional, but might be good sources for papers and presentations. Electronic (and possibly other) versions are available from the Cornell library.


• This Time is Different: Eight Centuries of Financial Folly, Carmen Reinhart & Kenneth Rogoff, Princeton University Press, 2009


• Understanding Financial Crises (Clarendon Lectures in Finance) Franklin Allen & Douglas Gale, Oxford University Press, 2009


• Five Years Later: On the Brink, A Look Back…, Henry M. Paulson Jr., Business Plus, 2013. Free on Kindle

• Misunderstanding Financial Crises: Why We Don’t See Them Coming, Gary B. Gorton, Oxford University Press, 2010

• Slapped by the Invisible Hand, The Panic of 2007, Gary B. Gorton, Oxford University Press, 2010

• A Demon of Our Own Design, Richard Bookstaber, Wiley, 2007

• Irrational Exuberance, Robert J. Shiller, Princeton University Press, 2005

• The Housing Boom and Bust, Thomas Sowell, Basic Books, 2009

• The World Depression, 1929-1939, Charles P. Kindleberger, University of California Press, 1973

• The Great Crash 1929, John Kenneth Galbraith, Houghton Mifflin, 1988

• Lombard Street, Walter Bagehot, Smith, Elder & Co., 1915 or later edition

• The South Sea Bubble, Viscount Erleigh, Greenwood Press (& Peter Davies Limited), 1933

• Capitalism, Socialism and Democracy, Joseph A. Schumpeter, New York: Har- 
per, 1950.


• The Housing Boom and Bust, Revised Edition, Thomas Sowell, Basic Books, 
2010.

• Manias, Panics, and Crashes, Charles P. Kindleberger, Robert Z. Aliber, Sixth 

• Xavier Freixas and Jean-Charles Rochet, Microeconomics of Banking, Second 
Edition, MIT.


• Timothy F. Geithner, Stress Test, Crown, 2014.

• Carmen M. Reinhart and Kenneth S. Rogoff, This Time is Different, Princeton, 
2011.

• Duncan J. Watts, Everything is Obvious, Crown, 2011.