Economics 4905

**Financial Fragility and the Macro-economy**

MW 2:55 pm to 4:10 pm
Uris Hall G26

**Professor:** Karl Shell
- [www.karlshell.com](http://www.karlshell.com)
- karl.shell@cornell.edu
- 402D Uris Hall
- Proposed Office Hours: M 1:30-2:30 PM, W 1:30-2:30 PM, or by appointment

**TA:** Khai Zhi Sim, [ks827@cornell.edu](mailto:ks827@cornell.edu)
Luoyi Su (Roy), [ls495@cornell.edu](mailto:ls495@cornell.edu)

**Assignments:** [www.karlshell.com](http://www.karlshell.com) -> Courses -> Current -> 4905 Fall 2017

**Evaluation:** Participation (including attendance) 20%
- Problem Sets 10%
- First Prelim 20%
- Second Prelim 20%
- Presentation 30%
- Extra credit is available for an extra presentation, an extra paper, and/or… (No Final)

**Articles:** Can be found at [www.karlshell.com](http://www.karlshell.com) or at CU e-Library

**Books:** Can be found at CU e-Library or purchased from Amazon Kindle or another source

**From a CU Computer:** Readings from the reading list can be downloaded by clicking on the URL or the hyperlinked text.

**Requirements:**
1. Comfort with calculus
2. Econ 3020, Accelerated Macro or Econ 3040 Intermediate Macro
3. Econ 3010, Accelerated Micro or Econ 3030 Intermediate Micro
Readings, Group A:
Readings from this group are keyed to Professors Shell’s lectures, but students are encouraged to volunteer for these.

Money and Finance
- Shell website section on Taxes Denominated in Money

Banking & Bank Runs
- Shell website section on Financial Fragility

Overlapping Generations

Excess Volatility
Readings, Group B:

Readings from this group are optional. They supplement the lectures and they might be a source of presentations. More books for Group B will be added during the course.


Readings, Group C:

Group C readings are also optional. They might serve as sources or presentation topics. More readings will be added to Group C as the semester progresses.

• *Jimmy Stewart is Dead*, Wiley, Laurence J. Kotlikoff, 2010.

**Other possible presentation topics:**
• Demography and public finance
• Housing and housing finance
• Social security
• Student loans
• Financial derivatives
• Venture capitalism
• Moral hazard in banking, finance etc.
• Index numbers
• Stock market indexes

**Office meetings:**
• Professor Shell encourages students to visit his office.
• It is strongly advised that you meet with Professor Shell on choosing and preparing for your presentations.