

## Term Information

Effective Term Autumn 2017

## General Information

Course Bulletin Listing/Subject Area Economics  
Fiscal Unit/Academic Org Economics - D0722  
College/Academic Group Arts and Sciences  
Level/Career Graduate, Undergraduate  
Course Number/Catalog 5261  
Course Title Financial Economics I  
Transcript Abbreviation Financial Econ I  
Course Description Examination of the evolution of and economic issues facing financial markets, financial institutions, and financial market participants.  
Semester Credit Hours/Units Fixed: 3

## Offering Information

Length Of Course 14 Week, 12 Week, 8 Week, 7 Week, 6 Week, 4 Week  
Flexibly Scheduled Course Never  
Does any section of this course have a distance education component? No  
Grading Basis Letter Grade  
Repeatable No  
Course Components Lecture  
Grade Roster Component Lecture  
Credit Available by Exam No  
Admission Condition Course No  
Off Campus Never  
Campus of Offering Columbus

## Prerequisites and Exclusions

Prerequisites/Corequisites Prereq: ECON 4001.01, 4001.02, or 4001.03, and 4002.01, 4002.02, or 4002.03, and Math 1151, 1152, 1161, or 2182H, or equiv.; or Grad standing.  
Exclusions

## Cross-Listings

Cross-Listings

## Subject/CIP Code

Subject/CIP Code 45.0601  
Subsidy Level Doctoral Course  
Intended Rank Junior, Senior, Masters, Doctoral, Professional

## Requirement/Elective Designation

The course is an elective (for this or other units) or is a service course for other units

## **Course Details**

### **Course goals or learning objectives/outcomes**

- This course will equip students with the intellectual skills to be an outstanding financial analyst, policy analyst, financial market regulator, lawyer and/or a wide variety of other paths.

### **Content Topic List**

- Financial Markets: Capital Markets - Equities, the players: supply side & demand side, risks and return, portfolio theory, CAPM, APT, DDM and alternatives, ratio analysis
- Accounting/Financial Markets Basics: corporate structures, accounting systems, financial statements, how financial statements are connected, time value of money, PV and FV concepts and calculations, applications of PV and FV
- Capital Markets – Debt Market: the players: supply side & demand side, different debt markets, bond risks, calculating bond yields, bond ratings, long term bank loans, pricing bank loans
- Money Markets: money market instruments, LIBOR, Fed Funds and Pricing issues, breaking the buck
- Commercial Banks: Why banks exist: Asymmetric Information problem, bank's balance sheet, bank regulation, bank risk management, why banks don't want to be banks, credit unions
- Investment Banks: From Gatekeepers to Vampire Squid – this history of Investment Banks, Divisions/services of investment banks, the funding and revenues of investment banks, Investment banks and the global financial
- Insurance providers: Risk v. Uncertainty, Insurance products, Pricing of insurance products, Evolution of the insurance industry, Why health insurance in the US is not insurance
- Mutual Funds: Goals and structures of Mutual Funds, Types of mutual funds, Fees in mutual funds, Explaining the expansion of mutual funds, Mutual funds as predators
- Personal or Consumer Finance: The role of household in American financial markets, Households liquidity needs: savings & short term debt, Households long term borrowing: autos & mortgages, Households insurance needs
- Public Finance: Cost/Benefit v. Profit maximization, Deadweight loss v. externality internalization, Intergenerational transfers, US federal government debt, Muni bonds

**Attachments**

- ECON 5261 Financial Economics I Fall 2017 syllabus BRANDLv2.docx: Econ 5261  
*(Syllabus. Owner: Ramirez,Ana G)*
- Rationale for the new courses Financial Economics I and Financial Economics II v3 (002).docx: Rationale  
*(Other Supporting Documentation. Owner: Ramirez,Ana G)*
- Financial Econ Concurrence Request.docx: Concurrence Request  
*(List of Depts Concurrence Requested From. Owner: Ramirez,Ana G)*
- International Studies Concurrence Econ 5261 & 5262.pdf: Intlstds Concurrence  
*(Concurrence. Owner: Ramirez,Ana G)*
- Sociology Concurrence Financial Economics Econ 5261 & 5262.pdf: Sociology Concurrence  
*(Concurrence. Owner: Ramirez,Ana G)*
- Curriculum Map Update 2016.xlsx: Econ Curriculum Map  
*(Other Supporting Documentation. Owner: Ramirez,Ana G)*
- AEDE Concurrence Financial Economics Econ 5261 & 5262.pdf: AEDE Concurrence  
*(Concurrence. Owner: Ramirez,Ana G)*
- FCOB Financial Economics syllabus NO concurrence.pdf: FCOB Non-Concurrence  
*(Concurrence. Owner: Ramirez,Ana G)*

**Comments**

**Workflow Information**

Status	User(s)	Date/Time	Step
Submitted	Ramirez,Ana G	01/18/2017 04:05 PM	Submitted for Approval
Approved	Ye,Lixin	01/18/2017 10:44 PM	Unit Approval
Approved	Haddad,Deborah Moore	01/19/2017 11:40 AM	College Approval
Pending Approval	Nolen,Dawn Vankeerbergen,Bernadette Chantal Hanlin,Deborah Kay Jenkins,Mary Ellen Bigler	01/19/2017 11:40 AM	ASCCAO Approval



Department of Economics

ECON 5261 (Lec xxxx)

**Financial Economics I**

Fall 2017

Jan. 07, 2017 version

Course: Lec xxxx-xx      Days and Times of class meeting in what location

Professor Michael Brandl

Office: 407 Arps Hall

Office Hours: TBA and by appointment

Phone: 614-292-2489

Email: [brandl.4@osu.edu](mailto:brandl.4@osu.edu)

### Course Description

This is the first course, in a two-course sequence, that examines a variety of issues in the field of financial economics from a liberal arts perspective. As such this is an applied economics course. We will rely heavily on the material you learned in your previous economics courses and math courses. This is not a course in corporate training. This course will not teach you how to be a financial analyst. This course will, however, equip you with the intellectual skills to be an outstanding financial analyst, policy analyst, financial market regulator, lawyer and/or a wide variety of other paths.

The course will make use of a wide variety of resources including, but not limited to, chapters from advanced economics textbooks, published academic research papers, working papers, staff reports from the Federal Reserve, press reports and data from a wide variety of governmental agencies, central banks and the Federal Reserve Board of Governors and regional Federal Reserve Banks.

This class will not offer simple, cookie cutter solutions to the complex problem facing financial market, institutions, and participants. Instead this course will force you to think. It will force you to consider multiple explanations of the same phenomena. This course sequence is not about memorization and regurgitation; it is about seeking answers to pressing questions from an economics perspective. Be warned: if you are looking for an easy blow-off course – this is NOT it.

**Official Description:** Examination of the evolution of and economic issues facing financial markets, financial institutions, and financial market participants.

**Course Prerequisites:** Prereq: ECON 4001.01, 4001.02, or 4001.03, and 4002.01, 4002.02, or 4002.03, and Math 1151, 1152, 1161, or 2182H, or equiv.; or Grad standing.

### Required Readings

See Carmen. Readings will include selected chapters from advanced economics textbooks, as well as academic research. Some may find these readings very challenging as many of them will be very technical in nature. It is important that you read through the assigned reading before class in their entirety or else much of the class presentation will be very difficult to follow.

### Grade Determination

5 Homework Assignments:	10%
3 during semester Exams:	60%
Cumulative Final Exam:	30%

### Exams

Note the specific time and location of the cumulative final exam are determined by the University and cannot be changed to meet individual schedules. Taking an exam early to accommodate travel plans is NOT possible. Failure to show up for an exam does not warrant a make-up exam. If a medical emergency arises resulting in a student being unable to take an exam at its scheduled time the weight of that exam will be shifted to the final exam.

Documented proof, including a signed letter of explanation for a non-relative health care provider must be provided for this exemption. Make-up final exams will be granted under only the most extreme circumstances such as the above described documented serious illness.

All of the exams will be a closed book, closed notes exam. No study sheets, crib notes or other aids will be allowed to be used during the exams. Students may expect time pressure on the exams. The exams will cover material covered in class, the assigned readings, and other material assigned.

The exams are designed to test students' abilities to solve problems as well as recall and organize information rapidly. Exam questions will require one to solve mathematical problems, be able to explain theoretical concepts and models, require one to tie concepts together, expect one to be able to apply concepts and models to everyday situations, and require one to be familiar with historical occurrences relative to key concepts and models.

### Homework Assignments

The Homework assignments are designed to help prepare students for the exams. The questions on the homework assignments are designed to mimic questions that will appear on the exam. More details will be given out in class.

### The Final Grade

The calculation of final grades will be done only after the final exam is administered and corrected. Course totals are generally "curved" as follows: Roughly at least the top 30% of the

class will get A's. Generally, at least the next 45% will get B's. The percentage of the class getting C's is variable, but generally it is close to 20%. The remaining bottom of the class will generally get a D or E for a final grade. Pluses and minuses will be reserved for those very close to the cut-off points, thus, very few pluses and minuses will be assigned.

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 Professor Brandl or his TA during the beginning of the following semester and actions will be taken to correct any errors. Please do NOT contact Professor Brandl or any TA 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.

*Make-up or extra work* to improve your grade is not possible. Your final letter grade is determined by the above stated method. Your general academic situation (For example, "I need a 'C' in this course to graduate.") and/or personal problems cannot be considered. The final grade in the course, once assigned, will not be changed except in the event of a recording error.

*Religious Conflicts*. Students whose religious observations conflict with the assignment schedule will not be penalized in any way. If your religious observation conflict with the published schedule of assignments for the course, however, you must notify the instructor in writing no later than the third class period so that alternative arrangements can be made.

### **Electronic Devices**

Electronic devices (e.g. laptops, smart phones, smart watches, 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 for taking of notes is **strictly forbidden**. The only exception to this electronic devices rule is the use of a tablet ONLY for taking notes – in that case the tablet must remain flat on the writing surface during the course. Tablets are not allowed during quizzes and exams. Persistent violation of this rule will result in a final grade reduction of one full letter grade.

### **Attendance Policy**

Attendance to each and every lecture is expected and assumed. Each lecture assumes that audience members have read the assigned readings and/or watched the assigned videos before the lecture. If you do not attend a lecture it is entirely your responsibility to determine what you have missed, including any administrative announcements that may have made.

### **Disability Services**

([http://ods.osu.edu/faculty\\_syllabus.asp](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.

### **Academic Misconduct**

(<http://oaa.osu.edu/coam/faq.html#academicmisconductstatement>)

Academic integrity is essential to maintaining an environment that fosters excellence in teaching, research, and other educational and scholarly activities. Thus, The Ohio State University and the Committee on Academic Misconduct (COAM) expect that all students have read and understand the University's Code of Student Conduct, and that all students will complete all academic and scholarly assignments with fairness and honesty. Students must recognize that failure to follow the rules and guidelines established in the University's Code of Student Conduct and this syllabus may constitute "Academic Misconduct."

The Ohio State University's Code of Student Conduct (Section 3335-23-04) defines academic misconduct as: "Any activity that tends to compromise the academic integrity of the University, or subvert the educational process." Examples of academic misconduct include (but are not limited to) plagiarism, collusion (unauthorized collaboration), copying the work of another student, and possession of unauthorized materials during an examination. Ignorance of the University's Code of Student Conduct is never considered an "excuse" for academic misconduct, so I recommend that you review the Code of Student Conduct and, specifically, the sections dealing with academic misconduct.

If I suspect that a student has committed academic misconduct in this course, I am obligated by University Rules to report my suspicions to the Committee on Academic Misconduct. If COAM determines that you have violated the University's Code of Student Conduct (i.e., committed academic misconduct), the sanctions for the misconduct could include a failing grade in this course and suspension or dismissal from the University.

### **Tentative Course Outline** (subject to change – see Carmen for updates)

#### **Wk 1: Introduction/Review of Micro and Macro Theory**

- Financial Economics v. Finance
- Utility functions
- Risk aversion
- Overlapping generations
- Monopoly v. Perfect competition
- Money & interest rates

#### **Wk 2: Accounting/Financial Markets Basics**

- Corporate structures
- Accounting systems
- Financial statements
- How financial statements are connected
- Time value of money
- PV and FV concepts and calculations
- Applications of PV and FV

Homework #1

Readings:

Warren, Carl S. (2015) *Survey of Accounting*, 7<sup>th</sup> ed., Cengage Learning.  
Ch. 1: The Role of Accounting in Business  
Ch. 2: Basic Accounting Concepts  
Ch. 9: Financial Statements Analysis

Brandl, Michael W. (2017) *Money, Banking, Financial Markets and Institutions*,  
Cengage Learning.  
Ch. 2: Money, Money Supply and Interest

### **Wk 3: Financial Markets: Capital Markets - Equities**

- The players: supply side & demand side
- Risks and return
- Portfolio Theory
- CAPM, APT, DDM and alternatives
- Ratio analysis

Homework #2

Readings:

Mayo, Herbert B. (2017) *Investments: An Introduction*, 12<sup>th</sup> ed, Cengage Learning.  
Ch. 5: Risk and Portfolio Management  
Ch. 8: Stocks  
Ch. 9: The Valuation of Common Stock

### **Wk 4: MIDTERM EXAM # 1**

### **Wk 5: Financial Markets: Capital Markets - Debt Market**

- The players: supply side & demand side
- Different debt markets
- Bond risks
- Calculating bond yields
- Bond Ratings
- Long term bank loans
- Pricing bank loans

Homework #3

Readings:

Brandl, Michael W. (2017) *Money, Banking, Financial Markets and Institutions*,  
Cengage Learning.  
Ch. 16: Bond Markets

Gurkaynak Refet S. and Jonathan H. Wri (2012) "Macroeconomics and the Term  
Structure" *Journal of Economic Literature*, 50:2, pp. 331-367.

### **Wk 6: Financial Markets: Money Markets**



- The players: supply side & demand side
- Money market instruments
- LIBOR, Fed Funds and Pricing issues
- Breaking the buck

Readings:

Brandl, Michael W. (2017) *Money, Banking, Financial Markets and Institutions*,  
Cengage Learning.  
Ch. 15: Money Markets

Standard & Poors (2008) *Commercial Paper – A Primer*

### **Wk 7: Financial Institutions: Commercial Banks**

- Why banks exist: Asymmetric Information problem
- Bank's balance sheet
- Bank regulation
- Bank risk management
- Why banks don't want to be banks
- Credit Unions

Homework #4

Readings:

TBA

### **Wk8: MIDTERM EXAM #2**

### **Wk 9: Financial Institutions: Investment Banks**

- From Gatekeepers to Vampire Squid – this history of Investment Banks
- Divisions/services of investment banks
- The funding and revenues of investment banks
- Investment banks and the global financial crisis
- Why do most M&A deals fail?

Readings:

TBA

### **Wk 10: Financial Institutions: Insurance providers**

- Risk v. Uncertainty
- Insurance products
- Pricing of insurance products
- Evolution of the insurance industry
- Why health insurance in the US is not insurance

Homework #5

Readings:

TBA

**Wk. 11: Financial Institutions: Mutual Funds**

- Goals and structures of Mutual Funds
- Types of mutual funds
- Fees in mutual funds
- Explaining the expansion of mutual funds
- Mutual funds as predators.

Readings:

TBA

**Wk 12: Personal or Consumer Finance**

- The role of household in American financial markets
- Households liquidity needs: savings & short term debt
- Households long term borrowing: autos & mortgages
- Households insurance needs
- Why Americans don't save for retirement

Homework #6

Readings:

TBA

**Wk 13: Public Finance**

- Cost/Benefit v. Profit maximization
- Deadweight loss v. externality internalization
- Intergenerational transfers
- US federal government debt
- Muni bonds

Readings:

TBA

**Wk 14: Summary and review**

**CUMMULATIVE FINAL EXAM**

According to the United States Department of Commerce, in 2015 the finance and insurance industry represented 7.2 percent (or \$1.293 trillion) of U.S. gross domestic product. The size of this already large and influential sector is expected to grow over the next several years. Despite the size and importance of this industry, most economics departments do not offer undergraduate courses in financial economics.

### Finance v. Financial Economics

Many people often confuse the field of finance and the field of financial economics. The field of finance, roughly speaking, comprises three major divisions and several subdivisions. Finance is made up of Corporate Finance, Asset Pricing (often referred to as Investments) and Financial Institutions and Markets. Subdivisions in finance include real estate, behavioral finance, private equity, consumer finance, etc. In most of finance, prices are determined exogenously and emphasis is often placed on the management of financial assets. These areas of finance are often taught in business schools in American Universities.

Financial economics, on the other hand, applies the tools of economics (the building of formal economic models, econometric testing, examination of incentives, cost/benefit analysis, etc.) to examine how and why prices are determined in financial markets. Thus, unlike finance, prices are determined endogenously in financial economics. Financial economics also poses questions of efficiency. Questions addressed include: How efficiently do markets allocate capital? Why do financial markets and instruments exist? How and why do markets shift risk? Why do financial markets fail? What is the role of regulation in financial markets? These are important questions for students to address. However, currently in the United States, financial economics is rarely taught at the undergraduate level.

### Why Undergraduate Financial Economics is needed

The tools of economics are needed to examine, objectively, how and why financial markets are playing such a large role in our economy and society. The tools of financial economics are also needed to understand how financial markets contributed to the greatest economic slowdown since the Great Depression. Undergraduates who wish to engage in the forming of our economy and society in the future will be well served to study the field of financial economics.

The two-course Financial Economics sequence will equip students with a broad knowledge of important theoretical and empirical aspects of financial economics. The courses will push students to ask demanding questions and use their training to pursue answers on their own. These are not courses designed to mimic corporate training programs. These are not courses designed to “get students a job.” Instead, these courses are designed to equip students with the skills they will need to understand the complexity of financial markets – where they have been, where they are now, and where they might be headed.

The first course in the two-semester sequence focuses on the theoretical and institutional aspects of financial economics. The second course focuses more on empirical academic research into topics and issues developed in the first semester course. Along the way, students will be evaluated on their ability to develop the analytic and critical thinking skills needed to objectively evaluate financial markets and institutions, both domestically and globally.

**Richard Herrmann (.1)**

Chair Political Science  
College of Arts & Sciences  
[Herrmann.1@osu.edu](mailto:Herrmann.1@osu.edu)

**Claudia Buchmann (.4)**

Chair Sociology

**Andrew Martin (.1026)**

Director of Undergraduate Studies Sociology  
[Martin.1026@osu.edu](mailto:Martin.1026@osu.edu)  
[Buchmann.4@osu.edu](mailto:Buchmann.4@osu.edu)

**Tim Hadd (.1)**

Chair AEDE

**Brian Roe (.30)**

Undergraduate Program Leader  
[Haad.1@osu.edu](mailto:Haad.1@osu.edu)  
[Roe.30@osu.edu](mailto:Roe.30@osu.edu)

**John Bruno (.1)**

Chair Psychology  
College of the Arts and Sciences  
[Bruno.1@osu.edu](mailto:Bruno.1@osu.edu)

**Tony Mughan (.1)**

**Karlene Foster (.24)**

International Studies  
College of Arts and Sciences  
[Mughan.1@osu.edu](mailto:Mughan.1@osu.edu)  
[Foster.24@osu.edu](mailto:Foster.24@osu.edu)

**Trevon Brown (.2296)**

Dean of John Glenn College of Public Affairs

**Robert Greenbaum (.3)**

Associate Dean for Curriculum  
John Glenn College of Public Affairs  
[Greenbaum.3@osu.edu](mailto:Greenbaum.3@osu.edu)  
[Brown.2269@osu.edu](mailto:Brown.2269@osu.edu)

**Patricia West (.284)**

Associate Dean of Undergraduate Program

**Jill O'Neill (.139)**

Director Administrative Services  
FCOB  
[West.284@osu.edu](mailto:West.284@osu.edu)  
[Oneill.139@osu.edu](mailto:Oneill.139@osu.edu)

**From:** [Mughan, Anthony](#)  
**To:** [Logan, Trevon](#); [Herrmann, Richard](#); [Martin, Andrew](#); [Buchmann, Claudia](#); [Roe, Brian](#); [Bruno, John](#); [Foster, Karlene](#); [Greenbaum, Robert](#); [Brown, Trevor](#); [West, Patricia](#); [O'Neill, Jill](#); [Haab, Timothy](#)  
**Cc:** [Ramirez, Ana](#)  
**Subject:** RE: Financial Economics syllabus & concurrence forms  
**Date:** Tuesday, January 17, 2017 9:14:02 AM  
**Attachments:** [image001.png](#)

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Trevon,

International Studies concurs with the Department of Economics's proposal to introduce an undergraduate course sequence in Financial Economics (ECON 5261 and ECON 5262).

Tony

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Anthony Mughan  
Professor, Political Science &  
Director, International Studies  
2140 Derby Hall  
The Ohio State University  
Columbus, OH 43210

*Phone:* (614) 292-9657  
*Fax:* (614) 688-3020  
*E-mail:* [mughan.1@osu.edu](mailto:mughan.1@osu.edu)

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**From:** Logan, Trevon  
**Sent:** Tuesday, January 17, 2017 8:16 AM  
**To:** Herrmann, Richard; Martin, Andrew; Buchmann, Claudia; Roe, Brian; Bruno, John; Mughan, Anthony; Foster, Karlene; Greenbaum, Robert; Brown, Trevor; West, Patricia; O'Neill, Jill; Haab, Timothy  
**Cc:** Ramirez, Ana  
**Subject:** Financial Economics syllabus & concurrence forms

Hello,

We would like to solicit your concurrence on a new advanced undergraduate course sequence in Financial Economics Econ 5261 (3 credit hours) and Econ 5262 (3 credit hours).

These courses will become part of our applied microeconomics advanced undergraduate offerings, and we expect that the course will serve the demand our students have for rigorous applied theory courses. The prerequisites for this course are the second course in our microeconomics and macroeconomics sequence (4001 and 4002), and this course is therefore specifically tailored to our majors. At present, there is no course being offered at the undergraduate level which exposes students to the economic theory of financial markets. Attached, I provide both the concurrence form and the example syllabi for the courses. Additional details are provided in the attached rationale for the course for you to review.

I hope that you will be able to extend your concurrence for the courses. Please let me know if you have questions.

Sincerely,



**Trevon D. Logan, Ph.D.**

Hazel C. Youngberg Trustees Distinguished Professor  
**College of Arts and Sciences** Department of Economics  
410 Arps Hall | 1945 N. High Street Columbus, OH 43210  
614-292-0762 Office | 614-292-3906 Fax  
[logan.155@osu.edu](mailto:logan.155@osu.edu) [osu.edu](http://osu.edu)

**From:** [Logan, Trevon](#)  
**To:** [Ramirez, Ana](#)  
**Subject:** FW: Financial Economics syllabus & concurrence forms  
**Date:** Tuesday, January 17, 2017 10:05:02 AM  
**Attachments:** [image001.png](#)

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**From:** Martin, Andrew  
**Sent:** Tuesday, January 17, 2017 10:04 AM  
**To:** Logan, Trevon <logan.155@osu.edu>  
**Subject:** RE: Financial Economics syllabus & concurrence forms

Hi Trevon,

Sociology concurs with the Department of Economics's proposal to introduce an undergraduate course sequence in Financial Economics (ECON 5261 and ECON 5262).

Best

Andrew Martin

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**From:** Logan, Trevon  
**Sent:** Tuesday, January 17, 2017 8:17 AM  
**To:** Herrmann, Richard; Martin, Andrew; Buchmann, Claudia; Roe, Brian; Bruno, John; Mughan, Anthony; Foster, Karlene; Greenbaum, Robert; Brown, Trevor; West, Patricia; O'Neill, Jill; Haab, Timothy  
**Cc:** Ramirez, Ana  
**Subject:** Financial Economics syllabus & concurrence forms

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I hope that you will be able to extend your concurrence for the courses. Please let me know if you have questions.

Sincerely,



**Trevon D. Logan, Ph.D.**

Hazel C. Youngberg Trustees Distinguished Professor  
College of Arts and Sciences Department of Economics  
410 Arps Hall | 1945 N. High Street Columbus, OH 43210  
614-292-0762 Office | 614-292-3906 Fax  
[logan.155@osu.edu](mailto:logan.155@osu.edu) [osu.edu](http://osu.edu)



**From:** [Logan, Trevon](#)  
**To:** [Ramirez, Ana](#); [Brandl, Michael W.](#)  
**Subject:** FW: Financial Economics syllabus & concurrence forms  
**Date:** Tuesday, January 17, 2017 11:06:27 AM  
**Attachments:** [image001.png](#)  
[image002.png](#)

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**From:** Haab, Timothy  
**Sent:** Tuesday, January 17, 2017 11:00 AM  
**To:** Logan, Trevon <[logan.155@osu.edu](mailto:logan.155@osu.edu)>  
**Cc:** Roe, Brian <[roe.30@osu.edu](mailto:roe.30@osu.edu)>; Hnytka, Gina <[hnytka.4@osu.edu](mailto:hnytka.4@osu.edu)>; Sohngen, Brent <[sohngen.1@osu.edu](mailto:sohngen.1@osu.edu)>; Sheldon, Ian <[sheldon.1@osu.edu](mailto:sheldon.1@osu.edu)>  
**Subject:** RE: Financial Economics syllabus & concurrence forms

Understand (and we encourage the rigor). Thanks.

---

**From:** Logan, Trevon  
**Sent:** Tuesday, January 17, 2017 10:58 AM  
**To:** Haab, Timothy <[haab.1@osu.edu](mailto:haab.1@osu.edu)>  
**Cc:** Ramirez, Ana <[ramirez.159@osu.edu](mailto:ramirez.159@osu.edu)>; Brandl, Michael W. <[brandl.4@osu.edu](mailto:brandl.4@osu.edu)>  
**Subject:** RE: Financial Economics syllabus & concurrence forms

Tim,

Thanks. We may need to have the 1131 count with a restriction on the grade in that course. The instructor, Mike Brandl, will be doing a rigorous course and the calculus requirement will be similar to our game theory course. The reason for the 4001.01 allowance is that there are some BS majors who cannot enroll in 4001/2.02 or 4001.2.03. To be clear, we are planning these course for our BS students, but the changes you have suggested can be accommodated for the most part. We do not want students to be surprised by the level of rigor here.



**Trevon D. Logan, Ph.D.**

Hazel C. Youngberg Trustees Distinguished Professor  
College of Arts and Sciences Department of Economics  
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614-292-0762 Office | 614-292-3906 Fax  
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**From:** Haab, Timothy  
**Sent:** Tuesday, January 17, 2017 10:49 AM  
**To:** Logan, Trevon <[logan.155@osu.edu](mailto:logan.155@osu.edu)>

**Subject:** RE: Financial Economics syllabus & concurrence forms

Trevon,

AEDE concurs with the offering of the new advanced undergraduate course sequence in Financial Economics (5261 and 5262) with the following request: that you include AEDE 4001 as an alternative prerequisite to Econ 4001.01 and allow Math 1131 as alternative prerequisite to Math 1151. We require Math 1131 as a prerequisite for AEDE 4001. Given that Econ 4001.01 is the non-calculus based section and accepted as a prerequisite for the , it seems advantageous to all to allow students who have completed our version of intermediate micro (Managerial Econ) which requires Business calculus as a pre-requisite into the course.

Thanks,

Tim

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**From:** Logan, Trevon

**Sent:** Tuesday, January 17, 2017 8:17 AM

**To:** Herrmann, Richard <[herrmann.1@osu.edu](mailto:herrmann.1@osu.edu)>; Martin, Andrew <[martin.1026@osu.edu](mailto:martin.1026@osu.edu)>; Buchmann, Claudia <[buchmann.4@osu.edu](mailto:buchmann.4@osu.edu)>; Roe, Brian <[roe.30@osu.edu](mailto:roe.30@osu.edu)>; Bruno, John <[bruno.1@osu.edu](mailto:bruno.1@osu.edu)>; Mughan, Anthony <[mughan.1@polisci.osu.edu](mailto:mughan.1@polisci.osu.edu)>; Foster, Karlene <[foster.24@osu.edu](mailto:foster.24@osu.edu)>; Greenbaum, Robert <[greenbaum.3@osu.edu](mailto:greenbaum.3@osu.edu)>; Brown, Trevor <[brown.2296@osu.edu](mailto:brown.2296@osu.edu)>; West, Patricia <[west.284@osu.edu](mailto:west.284@osu.edu)>; O'Neill, Jill <[oneill.139@osu.edu](mailto:oneill.139@osu.edu)>; Haab, Timothy <[haab.1@osu.edu](mailto:haab.1@osu.edu)>

**Cc:** Ramirez, Ana <[ramirez.159@osu.edu](mailto:ramirez.159@osu.edu)>

**Subject:** Financial Economics syllabus & concurrence forms

Hello,

We would like to solicit your concurrence on a new advanced undergraduate course sequence in Financial Economics Econ 5261 (3 credit hours) and Econ 5262 (3 credit hours).

These courses will become part of our applied microeconomics advanced undergraduate offerings, and we expect that the course will serve the demand our students have for rigorous applied theory courses. The prerequisites for this course are the second course in our microeconomics and macroeconomics sequence (4001 and 4002), and this course is therefore specifically tailored to our majors. At present, there is no course being offered at the undergraduate level which exposes students to the economic theory of financial markets. Attached, I provide both the concurrence form and the example syllabi for the courses. Additional details are provided in the attached rationale for the course for you to review.

I hope that you will be able to extend your concurrence for the courses. Please let me know if you have questions.

Sincerely,



**Trevon D. Logan, Ph.D.**

Hazel C. Youngberg Trustees Distinguished Professor  
College of Arts and Sciences Department of Economics  
410 Arps Hall | 1945 N. High Street Columbus, OH 43210  
614-292-0762 Office | 614-292-3906 Fax  
[logan.155@osu.edu](mailto:logan.155@osu.edu) [osu.edu](http://osu.edu)

**From:** [Logan, Trevon](#)  
**To:** [Brandl, Michael W.](#); [Ramirez, Ana](#)  
**Subject:** FW: Financial Economics syllabus & concurrence forms  
**Date:** Wednesday, January 18, 2017 10:58:55 AM  
**Attachments:** [image001.png](#)

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As expected.



**Trevon D. Logan, Ph.D.**

Hazel C. Youngberg Trustees Distinguished Professor  
**College of Arts and Sciences** Department of Economics  
410 Arps Hall | 1945 N. High Street Columbus, OH 43210  
614-292-0762 Office | 614-292-3906 Fax  
[logan.155@osu.edu](mailto:logan.155@osu.edu) [osu.edu](http://osu.edu)

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**From:** O'Neill, Jill  
**Sent:** Wednesday, January 18, 2017 10:54 AM  
**To:** Logan, Trevon <[logan.155@osu.edu](mailto:logan.155@osu.edu)>; Palma, Anthony <[palma.16@osu.edu](mailto:palma.16@osu.edu)>  
**Subject:** RE: Financial Economics syllabus & concurrence forms

Hi Trevon,

The department of Finance in the College of Business is going to decline concurrence. Dr. Minton (dept. chair) will be following up with you directly.

Best,

**Jill O'Neill**

Director, Operations and Enrollment  
Chair, Scholarship Committee  
**The Ohio State University**  
**Fisher College of Business** Undergraduate Programs and Advising  
120R Schoenbaum Hall | 210 W. Woodruff Ave. | Columbus, OH 43210  
614-292-2715 Main Office | 614-292-5735 Fax  
[oneill.139@osu.edu](mailto:oneill.139@osu.edu) [fisher.osu.edu](http://fisher.osu.edu)

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**From:** Logan, Trevon  
**Sent:** Tuesday, January 17, 2017 8:16 AM  
**To:** Herrmann, Richard; Martin, Andrew; Buchmann, Claudia; Roe, Brian; Bruno, John; Mughan, Anthony; Foster, Karlene; Greenbaum, Robert; Brown, Trevor; West, Patricia; O'Neill, Jill; Haab, Timothy  
**Cc:** Ramirez, Ana  
**Subject:** Financial Economics syllabus & concurrence forms

Hello,

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in Financial Economics Econ 5261 (3 credit hours) and Econ 5262 (3 credit hours).

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Sincerely,



**Trevon D. Logan, Ph.D.**

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