HISTORY OF FINANCIAL CRISSES – IMPLICATIONS FOR THE FUTURE
FINC5350
SEATTLE UNIVERSITY
SPRING QUARTER 2018

Dr Bonnie Buchanan
Office: Pigott 519
Email: buchanab@seattleu.edu
Phone: (206) 296-5977
Fax: (206) 296-2486

Office Hours: Tuesday: 4:00 – 5:30 pm
Thursday: 4:00 – 5:30 pm or by appt.

CLASS MEETINGS: Tuesday: 6:00 – 8:40 pm in Piggott 101.

Prerequisites: None

TEXTBOOK: There is one book that we will follow throughout the quarter:
2. Case e-book. Details provided on Canvas.

Recommended:

SUPPLEMENTARY MATERIALS:
Students will read a variety of materials including academic articles, books on the crisis and critiques of issues that are available on the web or through the Lemieux Library. Specific assignments and questions for class discussion will be posted on Canvas. Students are expected to read about current developments during the quarter using resources such as the *Financial Times, Economist, Wall Street Journal*.

COURSE OVERVIEW:
Financial crises are not a new phenomenon. Financial crises – whether it is banking, inflation, currency and debt crises - have become major issues in recent decades, largely due to their increased frequency. The global financial crisis that emerged in 2007 still continues to have reverberations with regard to consumer behavior, financial markets, financial institutions, as well as the interplay between different countries’ macro-economies and ultimately the nature of government policies. We will also discuss at length the Eurozone debt crisis.

In this course we look at the prominent features of financial crises from a historical perspective. We examine crises throughout the ages (not just the 20th century). There is a great deal to be learned from an historical perspective since it can be invaluable in enlightening us in making sense of the current confusion, as well as helping us consider the range of likely responses with regard to the recent financial crisis.
COURSE OBJECTIVES
The course has two major objectives:

(1) The course examines financial crises and takes students from the simple beginnings of banking to the more complex arrangements that emerged in the last couple of centuries. Developments in the debt, equity, real estate and insurance markets will be discussed and compared. To amplify topics, we will also draw on specific financial crises within these markets and focus on how events reverberate from one country to another as the global financial system evolved.

(2) The course aims to survey the role of policy in dealing with financial crises. This will incorporate three aspects of crises policy: crisis prevention, crisis management and crisis resolution. The historical perspective is important to understand the causes, consequences and implications of financial crises in order to help individuals and businesses better manage risk and to assist governments in designing regulations and establishing policy responses.

COURSE REQUIREMENTS
1) Students are expected to have required readings and assignments completed before each class. Students are responsible for all material covered in assigned problems.
2) Students are responsible for all material and assignments presented in class. If you miss a class, then it is your responsibility to obtain any missed lecture/case notes from a class colleague.
3) Students are required to turn in all work at the scheduled date and time.
4) For protection of proprietary knowledge and for a variety of other reasons, audio and videotaping of any class session is strictly prohibited without prior approval of the instructor. Under extreme circumstances or for a pre-approved class absence, audio taping a class session will be allowed on a case by case basis and with the express permission of the instructor. The student will be responsible for making all necessary arrangements. Students will need to adhere to the appropriate agreed upon use of the content material of these audio tapes.
5) All laptop computers are to be turned off during class.

ACADEMIC HONESTY
Seattle University is committed to the principle that academic honesty and integrity are important values in the educational process. All students must comply with Seattle University policies for conduct and academic honesty at all times during this course. The Seattle University Academic Honesty Policy can be found at the following address:

http://www.seattleu.edu/registrar/page.aspx?ID=87

Any violations of these policies will result in referral to the appropriate administrative body. If you are not sure whether a particular action is acceptable according to the Academic Honesty Policy you should check with the instructor before engaging in such an activity.

DISABILITIES
If you have, or think you have, a disability (including an “invisible disability” such as a learning disability, a chronic health problem, or a mental health condition) that interferes with your performance as a student in this class, you are encouraged to arrange support services and/or accommodations through Disabilities Services staff in the Learning Center, Loyola 100 (206) 296-5740. Disability-based adjustments to course expectations can be arranged only through this process.
LEARNING RESOURCES:

- **Canvas**: The course site (https://seattleu.instructure.com/login) contains class notes, articles, homework and other course materials. If you are missing handouts, go here first. I suggest using either Chrome or Firefox for full Canvas functionality.

- **Technology**: To minimize distractions and disruptions, all electronic devices (cell phones, laptops, recording, etc.) must be turned off during class except by prior agreement or if deemed to be course-relevant by the instructor.


- **Email**: You are responsible for any and all messages and assignments that I send via Canvas. If you have a different, preferred email address, then make sure you set up Canvas to forward your email.

- **Classmates**: Your classmates are a valuable resource because they have access to the same class materials, notes, etc. You will be working with your classmates in class and outside of class, so it is to your mutual benefit to get to know each other. Hopefully you will be able to rely on each other as this will help foster precious, professional relationships and friendships.

GRADE DETERMINATION:
The total grade for the course is based on the following components below. Key factors for success are (1) keeping current with the readings, lectures, cases and the problems, (2) preparing the readings and assigned problems before class and actively participating in class discussion and (3) attending class. Experience tends to show that poor attendance is highly correlated with poor performance in the course. Please be aware that your final grade is based upon your performance over the entire term, not the last week.

GRADE DETERMINATION:

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<tr>
<th>Component</th>
<th>Percentage</th>
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<tbody>
<tr>
<td>Case 1</td>
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<td>Case 2</td>
<td>20%</td>
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<tr>
<td>Participation</td>
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<tr>
<td>Final Exam</td>
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<td>Total</td>
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EXAMS:
There will be one exam included in the course. The exams will consist of analytical problems and longer response questions. Questions will be taken from class notes and assigned readings from the text and other references. More details will follow on Canvas.

CASES:
You will be required to complete two case write-ups during the course. The cases are to be found in the case e-book. For Case 1, you will have a choice in the case e-book. For Case 2, everyone must complete the *Eurozone and Sovereign Debt Crisis* case in the case e-book. The cases may be completed either on an individual basis, or in pairs (definitely no more than 2 people). Further details will be provided on Canvas site.
PARTICIPATION:
Oral communication skills are an important part of any finance education. It is vitally important in this class since it is being run primarily as a seminar class. You are expected to lead class discussions throughout the quarter. During quarter, you may be called upon to answer questions during class, including the discussion questions. Obviously, attendance is essential. Please note that whilst you won’t have to know everything about the material assigned for that day, you will need to productively engage in questions that I ask of you and volunteer answers otherwise. The grading rubric for this will be found on the Canvas website.

COMMUNICATION AND WEBSITE:
Students are welcome to stop by my office during office hours or by appointment. We have a Canvas website for the course. The website includes the notes and questions that accompany the lectures and important notices. You are responsible for all information announced in class or posted on the website including changes to the course syllabus and schedule.
COURSE OUTLINE

As every class has its own unique dynamics, the course schedule is only tentative and the instructor may announce changes as necessary. Therefore, you need to watch for announcements on the course website on Canvas. Please check the Canvas site for regular announcements and reading assignments. Charles Kindleberger is abbreviated to CK

Please see Canvas website

**Final exam date:** Tuesday, June 12, 2018. 6:00 - 7:50pm