



College of Business Administration
Department of Economics
Seminar in Money and Banking
Lecturer: O. Mikhail
ECO 6226-0001
Summer 2006

TERM PAPER OUTLINE

The **objectives** of the term paper are,

- To write a paper on the interactions between the financial system and the macroeconomy, and
- To give the student a hand-on experience in analyzing U.S. financial data, and
- To familiarize the student with the data-collection process and its presentation, and
- To learn how to write a term paper.

Your term paper should fit at least one the following **themes discussed in class**.

1. Financial Institutions
2. Financial Regulations
3. Financial Instruments
4. Role of Financial markets in the Economy
5. The Bond Market and the Term Structure of Interest Rates.
6. Banks and their Crucial Role in the Economy
7. Monetary Policy
8. Global Capital Markets

Pick a theme of interest, read the papers in that theme. Write a review of literature and then expand on the ideas that you read, present new argument(s), model(s), etc... i.e., write an original paper. Do not copy or just summarize what you read in the literature. Expand on what you read. Challenge the ideas/views that are presented in the literature. Provide strong convincing arguments of why your view/plan/policy is superior. Statistical statements are a good way to support your arguments, but no the only. Theories in Political Sciences, History, Philosophy and Sociology do provide a complement to strongly support your argument. Read. Be knowledgeable about your topic. The most valuable advice is to pick the topic that you like – just inform me of the topic ahead of time to make sure that it fits the themes.

Each term paper should be organized as follows,

- 1) **Cover Page:** The title of your term paper and your name.
- 2) **Introduction:** Why is the topic interesting for you? Why is it interesting to be studied (from the macroeconomy point of view)? How does your topic fit in the class themes? What are the implications of alternative views/proposals? Why is this

- topic important? Summarize the review of the literature (all articles that you read and are related to your topic (Who wrote what and when?).
- 3) **Plan:** What is the plan of your term paper? What is it that you are proposing to do? How will you conduct/approach/execute your plan? What are the steps that you will take?
 - 4) **Analysis:** In this section you report and show the details of your proposed plan. Using statistical analysis, you report the results and discuss their implications. Which method you used? Why? Advantages? Disadvantages?
 - 5) **Conclusions:** What did you learn from this study? What does a reader learn from reading your term paper? The message? What ought to be done? Policy implications? Should the policy/law/structure be changed?
 - 6) **Appendix:** wherein you report the following,
 - All information used in the term paper should be mentioned, such as source of data, books references', academic papers, web pages titles and html addresses.
 - All Figures and Tables produced in the Analysis part of the paper should be here in the Appendix.

The term paper should be typed, double spaced at a maximum length of 20 pages (including graphs and tables). The term paper must be submitted (printed copy, turnitin.com and an e-mail attachment) by Thursday, June 22, 2006, 6:00 p.m. The e-mail attachment should be titled as follow ECO6226-YOURNAME.DOC if you are a Microsoft Word user, or ECO6226-YOURNAME.WPD if you are using Corel WordPerfect.

**Also, submit your term paper using <http://www.turnitin.com>
The instructions on how to submit your term paper to turnitin are provided at the class web page.**

Glossary

If you find any economic terms that you do not understand, visit the

- **Bureau of Labor Statistics** Glossary <http://stats.bls.gov/bls/glossary.htm>
- **Financial Terms** Glossary <http://biz.yahoo.com/f/g/g.html>

Learn how to write

- Visit the University of Central Florida Writing Center <http://www.uwc.ucf.edu/> make an appointment and get advice.
- Use the spell-checker. Spelling mistakes, typos and creating new English words will significantly impact your grade, downward.

Finding Monetary Data (See the Detailed Source for Data – next Section)

- Printed format: Subscribe to the National Economic Trends – The Federal Reserve Bank of St. Louis. <http://research.stlouisfed.org/publications/net/>
- Electronic format: The Federal Reserve Bank of St. Louis Economic Data - FRED II <http://research.stlouisfed.org/fred2/> and U.S. Financial Data <http://research.stlouisfed.org/publications/usfd/>

Detailed Source for Data: CLICK on the Link

Government and private agencies collecting and maintaining raw data series

<p>Income, output, savings, investment, balance of payments, etc.</p>	<p><u>Bureau of Economic Analysis (BEA)</u></p>	<p>Tables with <u>National Income and Product Accounts (NIPA)</u>, Gross Domestic Product (GDP) and components, associated international and regional data. For more usable formats for statistical work, see FRED and many of the <u>Secondary Sources</u>.</p>
<p>Employment, prices, productivity</p>	<p><u>Bureau of Labor Statistics (BLS)</u></p>	<p>Employment, labor force, unemployment, Consumer Price Index (CPI) and producer price index (PPI), productivity, regional components, and much more. Specific series can be selected relatively easily for use. See also: <u>Economy at a Glance (BLS)</u> in <u>Secondary Sources</u> below.</p>
<p>Government budget, spending, revenue</p>	<p><u>Congressional Budget Office (CBO)</u></p>	<p>Current Federal spending, revenue, budget, and projections as prepared by the Congress. Table format.</p>
<p>Government budget, spending, revenue</p>	<p><u>Office of Management and Budget (OMB)</u></p>	<p>Current Federal spending, revenue, budget, and projections as prepared by the White House. Worksheet formats are downloadable. Selection of simple definitions and explanations of these data.</p>
<p>Money supply, interest rates</p>	<p><u>Federal Reserve Economic Data (FRED), St. Louis Fed</u></p>	<p>Monetary aggregates, interest rates, commercial bank data, exchange rates; plus collected employment, fiscal, price data; GDP, balance of payments; regional data; and more. Data in download, usable formats. Daily and monthly data where available. Many series go back through the 1960s; a few go as far back as the early 1900s. Hundreds of series.</p>
<p>Money supply, interest rates</p>	<p><u>Federal Reserve Releases</u></p>	<p>Daily, weekly, monthly, and quarterly current releases of interest rates and monetary aggregates in table format.</p>
<p>Money supply, interest rates</p>	<p><u>New York Fed's Statistics and Data</u></p>	<p>Exchange rates, monetary aggregates, interest rates, and more.</p>
<p>Historical Data</p>	<p><u>NBER's Macro-Historical Database</u></p>	<p>Pre-WWI and Interwar data from the U.S. plus some from the U.K., France, and Germany. Income, employment, price data, money supplies, interest rates, stocks, savings, investment, government budget and finance, foreign trade, and more. Each series in ASCII format, usable in statistical packages. See also the <u>NBER's business cycle reference dates</u> in table format.</p>

	<u>Statistical Abstract of the United States</u>	Census Bureau book in full, in pdf files. Population, state, local, federal government data, historical data, charts, and more. Table format.
Population	<u>Census Bureau</u>	Regional census data in table format; charts, maps. Promises of more to come.
Consumer Surveys	<u>Surveys of Consumers, U. of Michigan</u>	Survey of consumer expectations. Monthly and quarterly data, selectable table formats.

Secondary Sources

Numbers Now! Overviews, charts, summary tables, frequently-watched new data releases delivering the most recent data.	<u>Economic Statistics Briefing Room (ESBR)</u>	A few of the most widely used series, with charts, prepared by the White House as the data are released.
	<u>Economy at a Glance (BLS)</u>	Charts and tables for recent labor force, employment, price series (CPI and PPI), etc. prepared by the Bureau of Labor Statistics. Also: <u>Regional</u> economies by state, and statistics by industry. Nicely organized <u>table option</u> allows you to create custom historical tables.
	<u>Econ Data & Links</u>	Clear, thorough site with many current U.S. and international economic facts, plus direct links to the pages where the data came from. Facts broken out into M1, M2, specific price series and deflators, nominal and real GDP, etc. Maintained by John A. Shaw.
Economic Indicators: Tables and weighted averages focussing on assessing current economic conditions.	<u>Economic Indicators (CEA)</u>	Tables and charts of Economic Indicators as prepared by the Council of Economic Advisers (CEA).
	<u>The Conference Board (TCB)</u>	Computation of indexes of Leading Economic Indicators (LEI) and Business Cycle Indicators (BCI) plus various consumer surveys. <u>NBER's business cycle reference dates</u> in table format.
Selectable Large Data Bases: Collections allowing the user to select individual macroeconomic and regional data series	<u>Federal Reserve Economic Data (FRED), St. Louis Fed</u>	Hundreds of series in usable formats, from money supply to interest rates to national income to prices. Data series and endpoints can be chosen by the user.
	<u>NBER's Macro-Historical Database</u>	Pre-WWI and Interwar data from the U.S. plus some from the U.K., France, and Germany. Many series, each in ASCII format, usable in statistical packages.

	<u>Regional Economic Information System (REIS, U. of Virginia)</u>	Regional, State, County, and City Data drawn from Census Bureau publications. Select the region, state, county/city, and your choice of variables and years. Easier to use than the Census Bureau's <u>County and City Data Book</u> and <u>State and Metropolitan Area Data Book</u> , which are in table format.
Tabular Large Data Bases: Collections summarizing data in table formats.	<u>Economic Report of the President (ERP)</u>	Summaries and tables of the widely used <u>Council of Economic Advisers</u> (CEA) annual reports, summarizing annual data since the 1950s or earlier, as available. ASCII files, table format, at the ends of each volume. For the complete texts in pdf and ASCII files, 1996-present, see also the <u>Government Printing Office</u> , or <u>ERP, CEA site</u> . For text of still earlier editions, check out gopher: <u>ERP, 1992-94</u> .
	<u>Statistical Abstract of the United States</u>	Census Bureau book in full, in pdf files. Population, state, local, federal government data, historical data, charts, and more. Table format. See also <u>primary sources</u> .
	<u>EconData (U. of Maryland)</u>	Extensive collection of the most widely-used data sets produced by many agencies. In downloadable format.
	<u>EconStats</u>	Extensive, well-organized collection of the most widely-used data sets produced by many agencies, U.S. and non-U.S. Some series in downloadable spreadsheet format.
	<u>Economic Information Systems</u>	Table formats for many data series from many primary sources: NIPA, Flow of Funds, BEA, BLS, etc., plus analyses.
	<u>U.S. State Department Country Notes</u>	Background facts by country. Online quick reference with national facts, population, history synopsis, GDP, etc.
	<u>CIA World Factbook</u>	Background facts and maps by country. Online reference with national facts, population, history synopsis, GDP, etc.
Fee-based Large	<u>Haver Analytics</u>	Fee-based. Broad coverage, many series.