

March 29, 2004

**Economics 87 - Stocks and Bonds: Financial Markets**  
Preliminary Syllabus (Subject to Change)

Requirements:

Attendance

Daily reading of financial market reports in Wall Street Journal or New York

Times:

<http://nytimes.com/pages/business/index.html>,

<http://nytimes.com/pages/business/columns/index.html>

<http://marketwatch.nytimes.com/custom/nyt-com/html-usmarkets.asp>

Term Paper or Oral Report

Oral Report: There will be weekly oral reports on financial market developments, concentrating on the events of the past week. You can fulfill your term paper/oral report requirement by presenting one of these reports (if you'd like to work as a team, double up with a friend and the team can do two reports). Prof. Starr will be available to discuss the week's events with the reporter(s) prior to the seminar meeting.

OR

Present an oral book report on one of the following books (approximately five minutes plus questions and discussion).

Term paper: Report and review critically one of the following books.

Full length books on reserve for Econ 87 (Starr) Spring 2004

Balen, Malcolm. The secret history of the South Sea Bubble : the world's first great financial scandal

Bruck, Connie, The Predators Ball

Carswell, John, The South Sea Bubble

Cassidy, John, Dot.con : the greatest story ever sold

Galbraith, John Kenneth, The Great Crash

Gordon, John Steele, The great game : the emergence of Wall Street as a world power, 1653-2000

Graham, Benjamin The Intelligent Investor

Greenwald, Bruce C. N., Value investing : from Graham to Buffett and beyond

Greider, William, Secrets of the temple : how the Federal Reserve runs the country

Kindleberger, Charles Poor, Manias, panics, and crashes : a history of financial crises

Klein, Maury, Rainbow's end : the crash of 1929

Lowenstein, Roger, Origins of the crash : the great bubble and its undoing

Lowenstein, Roger, When Genius Failed: the rise and fall of Long-Term Capital

Management

MacKay, Charles, Strange Popular Delusions and the Madness of Crowds



Malkiel, Burton, A Random Walk Down Wall Street  
Mayer, Martin, The Fed : the inside story of how the world's most powerful  
financial institution drives the markets  
Metz, Tim, Black Monday : the catastrophe of October 19, 1987, and beyond  
Partnoy, Frank, Infectious greed : how deceit and risk corrupted the financial  
markets  
Shiller, Robert J., Irrational Exuberance  
Shiller, Robert J., The New Financial Order  
Siegel, Jeremy, Stocks for the long term  
Whitman, Martin J. and Martin Shubik, The aggressive conservative investor

Course plan:

April 5: Weekly financial market report  
Dart board stock selection  
Reading the financial pages

April 12: Weekly financial market report.  
Please bring your common stock selection, including name and ticker symbol,  
and designation for purchase or short sale.  
Interest rates.  
Bond pricing.  
Compound interest.

April 19: Weekly financial market report  
Ponzi game  
Financial market bubbles.

April 26: Weekly financial market report  
TBA

May 3: Weekly financial market report  
TBA

May 10: Weekly financial market report  
TBA

May 17: Weekly financial market report  
TBA

May 24: Weekly financial market report  
Announcing the Dartboard portfolio and Personal pick portfolio winners!  
TBA