

MANAGEMENT 325

MONEY AND BANKING

COURSE SYLLABUS*

Credit Hours: 4

Textbook:

The Economics of Money, Banking and Financial Markets
Frederic S. Mishkin
Addison, Wesley, Longman
Copyright 2000

Course Description:

Prerequisites: Introduction to Economics and Introduction to Microeconomics

A study of the theory of money and banking, factors influencing demand and supply of money, analysis of current policy issues, operations, of commercial banks and the Federal Reserve System.

Policies and Procedures:

Attendance is very important in this class. As you will note in the grading breakdown, attendance and class participation will weigh heavily on your final grade. Also, since this class meets only once a week, missing one class is the equivalent of missing one week's worth of material.

If you must miss a class due to an emergency or other unavoidable circumstance, contact the instructor to explain the circumstances. Also, contact the constructor or another student after the missed class for assignments and missed announcements.

Grading:

Your final grade will be an average of 2 tests, 2 projects in addition to, and attendance and class participation. The breakdown is as follows:

Attendance and class participation	25%
Projects	25%
Test # 1	25%
Test # 2	25%

Instructor:

Brian J. Young

Room 302

Office Hours:

Tuesdays and Thursdays 1:00-3:00 p.m. or by appointment

The grading scale used will be as follows:

A	90-100%
B	80-90%
C	70-80%
D	60-70%
F	<60%

Projects:

The details of the projects and the due dates will be announced at a later date (after Thanksgiving). A group project and an individual project will be required. You will be given ample notice and plenty of time to complete the projects. However, make sure you do not miss the announcement.

Objectives:

- a. Compare and contrast the different economic theories and determine which ones are the most relevant and applicable to improve our lives
- b. Categorize and apply the principles of interest rates, inflation, public confidence, and other economic yard sticks.
- c. Solve problems relating to foreign exchange and identify their relevance to foreign trade.
- d. Show how to successfully manage a business firm by employing methods such as cash flow analysis and capital budgeting.
- e. Illustrate how time affects the value of money for both annuities and amounts.

Tentative course schedule:

November 20	Class introduction and preview of syllabus
November 27	Discussion of Chapters 1 & 2: Why Study Money and Banking and An Overview of the Financial System
December 4	Discussion of Chapters 3 & 4: What is Money? and Understanding Interest Rates
December 11	Discussion of Chapters 5 & 6: The Behavior of Interest Rates and The Risk and Term Structure of Interest Rates
December 18	Midterm on Chapters 1-6
December 22 – January 7 CHRISTMAS VACATION	
January 8	Discussion on Chapters 7 & 8: The Foreign Exchange Market and An Economic Analysis of Financial Structure
January 15	School closed due to Martin Luther King Day
January 22	Discussion of Chapters 9 & 10: The Banking Firm and The Management Institutions and Banking Industry Structure and Compensation.
January 29	Discussion of Chapters 11 & 12: Economic Analysis of Banking Regulation and Non-Bank Financial Institutions
February 5	Discussions of Chapters 13 & 14: Financial Derivatives and the Structure of the Central Banks and the Federal Reserve Board.
February 12	Discussion of Chapters 15 & 16: Multiple Deposit Creation and the Money Supply Process and Determinants of the Money
February 19	Final Test

* All schedules and grading policies and procedures are subject to change at the discretion of the instructor.