

Texas A&M University-Corpus Christi
College of Business
Course Syllabus – Spring 2016

Course Number: ECON 3312 T 7:00-9.30 PM / OCNR-115

Course Name: Money and Banking

Instructor: Patrick M. Crowley

Office: OCNR 373

Phone & Fax: Phone: (361) 825-6011 Fax: (361) 825-5609

Office Hours: T: 12:30PM-4:00PM
R: 1:30PM-4:00PM
and by appointment

Internet: Economics Website: <http://cob.tamucc.edu/economics>
Homepage URL: <http://www.patrickmcrowley.com>
E-mail: patrick.crowley@tamucc.edu
Twitter

Required Material: Frederic Mishkin, *The Economics of Money, Banking, and Financial Markets*, Business School Edition 4/e, 2016, with MyEconLab and Pearson eText (1 semester) access kit. ISBN: 9780134047386

Prerequisites: ECON 2301 or ECON2302 and Junior standing or above.

Instructional Methodology: Lecture, class discussions and activities, assignments.

Course description:

Description of the operations of banking and other financial institutions, examination of the basic tenets of monetary theory, analysis of monetary policy and its contribution to monetary policy.

Course objectives:

The objective of the course is to acquire knowledge and appreciation of the components and the issues involved in four basic areas: money, monetary theory, banking and finance, and the institutional dimension of money.

Learning Objectives:

By the end of this course, students will be able to:

1. Appreciate the origins and nature of money
2. Understand and apply basic concepts and models in monetary theory
3. Apply basic knowledge of financial markets and financial instruments and relate movements in these markets to current events
4. Identify and analyze the implications of information asymmetry in the financial sector
5. Understand the historical evolution of the banking and finance sectors in the United States and elsewhere
6. Understand the role of a central bank and how monetary policy is formulated in the United States and elsewhere
7. Understand the nature and means of monetary policy transmission to the economy
8. Appreciate the current debates surrounding monetary policy, the role and effectiveness of central banks, and its impact on the economic well-being of citizens

Relationship to other coursework:

This course is designed specifically for those students who have completed their principles of economics courses and are interested in learning more about money, the origins of money, the financial markets and institutions from both domestic and international viewpoints, as well as the impact of monetary policy on the environment in which consumers and business firms operate.

Instructional methodology:

The class will be interactive. A variety of learning methodologies will be used, such as: class participation, team activities, audio-videos and discussions.

Evaluation:

Student performance will be evaluated on the basis of two multiple choice tests, assignments taken through online courseware (MyEconlab), class attendance and participation, and one written assignment. The material covered on examinations may include scheduled material from the text, class lecture and activities, including assignments. The student's performance, not the instructor, determines the course grade.

The course grade will be determined by weighted scores. The following is the weight distribution of coursework for determining the overall course average:

<u>Coursework</u>	<u>Weight</u>
Two Midterms (2 at 20% each)	40%
Online assignments (through MyEconLab)	30%
Attendance (10%)	10%
Data Analysis Assignment	10%
Final exam week written media assignment	10%
TOTAL:	100%

The Official Course Grade is determined by a letter grade using the following scale: A: 90%+; B: 80-89%; C: 70-79%; D: 60-69%; F: below 60%.

Beyond this, any bonus points towards the final grade will be awarded at the discretion of the instructor, and there will be no make-up assignments or tests given in this course, unless for legitimate University-sanctioned reasons, in which case official documentation is required..

Exams:

Both exams are compulsory for all students. The exams will be given in class. The exams will be closed book exams and will not be cumulative.

Assignments:

The assignments will be given using MyEconLab internet software. These assignments will be announced in class and also will be announced through the course website.

MyEconLab:

Students should register at <http://www.pearsonmylabandmastering.com/northamerica/myeconlab>
In MyEconLab, the course ID required for registering is **crowley82963**. The MyEconLab package also comes with an electronic copy of the book, so students who don't buy the hard copy textbook can still register to take the assignments through the MyEconLab website. **Usage of the MyEconLab software is compulsory in this course.**

Written Assignment:

Students are required to write an assignment of at least 4 pages, double-spaced, reflecting on a recent event or events and linking these to the course materials. The paper should be of an economic nature, and should relate the lecture material to recent events in a meaningful way. The media article commentary should be submitted through the online plagiarism software at www.turnitin.com. Registration is free for TAMUCC students. They should be double spaced and include diagrams wherever relevant.

Attendance:

Attendance will be taken at each class, and this will constitute the 10% attendance portion of the final grade.

Dropping a Class:

I hope that you never find it necessary to drop this or any other class. However, events can sometimes occur that make dropping a course necessary or wise. Please consult with me before you decide to drop to be sure it is the best thing to do. Should dropping the course be the best course of action, you must initiate the process to drop the course by going to the Student Services Center and filling out a course drop form. Just stopping attendance and participation WILL NOT automatically result in your being dropped from the class. April 8, 2016 is the last day to drop a class with an automatic grade of "W" this term.

Oral and written communication content:

Written assignments, as well as major examinations will provide opportunities for evaluating students' performance in oral and written communications.

Technology applications:

Reports and presentations will be computer generated and written in a clear and concise manner. Students are expected to develop computer skills and to use the internet extensively. Students are encouraged to use (non-programmable) calculators in class and for examinations.

Ethical Perspectives:

Within the context of the market mechanism the ethical dimensions of different outcomes of business decisions implemented by financial institutions will be discussed from the perspective of the “ethics of the marketplace” as well as from other points of view. The effects of various economic policies and regulations will likewise be analyzed.

Global Perspectives:

The internationalization of financial markets, discussions of foreign currencies, and the international considerations of monetary policy and regulations of the United States will make it inevitable that we cover the content of this course with a significant global perspective.

Political, Social, Legal, Regulatory and Environmental Perspectives:

Since the financial industry is one of the most heavily regulated industries of our economy, there will be ample opportunity to discuss legal and regulatory issues. The political and social dimensions are pervasive in discussions of economic policy—an integral component of this course.

Attendance Policy:

The class is interactive; regular attendance of students is expected. Class absence results in point deductions in student evaluation. Students absent from classes are responsible for making arrangements to submit assignments due, material discussed, and announcements made in class. Assignments, exams and other course requirements missed due to absences cannot be made up except for illness or other officially sanctioned reasons, in which case documentation is required to accompany the assignment.

Academic Honesty:

This course, and all other courses offered by the College of Business (COB), requires all of its students to abide by the COB Student Code of Ethics (available online at www.cob.tamucc.edu). Provisions and stipulations in the code are applicable to all students taking College of Business courses regardless of whether or not they are pursuing a degree awarded by the COB.

Americans with Disabilities Act Compliance:

The Americans with Disabilities Act (ADA) is a federal anti-discrimination statute that provides comprehensive civil rights protection for persons with disabilities. Among other things, this legislation requires that all students with disabilities be guaranteed a learning environment that provides for reasonable accommodation of their disabilities. If you believe you have a disability requiring an accommodation, please contact the Disability Services Office at (361) 825-5816 or visit the office in CCH116.

Classroom Etiquette:

Classroom misconduct will result in point deductions under the category of “class participation.” Examples of classroom misconduct that may affect student evaluation include: *habitually* entering or leaving the classroom during class time without the consent of the instructor, using any telecommunication device, talking or chit-chatting with other students, and any other activities that are disruptive to the learning environment. **Please turn off your cell phones when in class.**

Tentative Course outline:

<u>Topic</u>	<u>Date</u>	<u>Chapter</u>	<u>Notes</u>
Course overview	1/26		
Introduction	1/26	1	
Overview of the financial system	2/2	2	
What is money?	2/9	3	
Demand for Money	2/9	24	
Understanding interest rates	2/16	4	
Behavior of interest rates	2/16	5	
Term structure	2/23	6	
Economic Analysis of Financial Structure	2/23	8	
Data Analysis Exercise Due	2/28		
Financial Crises	3/1	9	
Exam Review			
Exam 1	3/8		Away rest of class
SPRING BREAK	3/14-3/18		
Banking and the Management of Financial Institutions	3/22	10	
Economic Analysis of Financial Regulation	3/29	11	
Banking Industry: Structure and Competition	3/29	12	
Conflicts of Interest	4/5	15	
Central Banking	4/5	16	
Determinants of the Money Supply	4/12	17	
Tools of monetary policy	4/12	18	
Conduct of Monetary Policy	4/19	19	
Transmission mechanism	4/26	25	
Wrapup and Exam Review			
Exam 2	5/3		
Written Media Assignment due	5/10		