

**WILLIAM RAINEY HARPER COLLEGE**  
**BUSINESS AND SOCIAL SCIENCE DIVISION**  
**GENERAL COURSE OUTLINE**

ECO Course Prefix	210 Course Number	Money and Banking Course Title	(3 - 0) Lec-Lab	3 Semester Hours
-------------------------	-------------------------	-----------------------------------	--------------------	------------------------

**COURSE DESCRIPTION**

Stresses the practical aspects of money and banking, and emphasizes the basic monetary theory needed by the banking student to apply his knowledge to his particular job. Historical treatment has been kept to a minimum. Emphasis is placed on such problems as economic stabilization, types of spending, the role of gold, limitations of central bank control, governmental fiscal policy, balance of payments and foreign exchange, showing their repercussions on the banking industry in affective yield curves and the structuring of portfolios.

Prerequisite: ECO200 or ECO212 with a grade of "C" or better.

**TOPICAL OUTLINE**

- I. Nature and Significance of Money, from Commodity to Credit
- II. Currency Evolution and Monetary Legislation
- III. Commercial Banking Process; Creation and Transfer of Deposits
- IV. Bank Assets; Federal Reserve System
- V. United States Treasury and the Banking System
- VI. Changes in the Value of Money Significance Measurement
- VII. Commodity and Quantity Theories of the Value of Money
- VIII. National Income Analysis
- IX. Investment and Income Determination
- X. Processes of Inflation and Deflation
- XI. Commodity and Quantity Theories of the Value of Money
- XII. Cyclical Fluctuations
- XIII. Monetary and Fiscal Policy: 1914 - 1945
- XIV. Monetary and Fiscal Policy: 1946 to the present

**METHOD OF PRESENTATION**

1. Lecture and discussion
2. Special projects and/or papers
3. Audio-visual aids
4. Current events topics

**STUDENT OUTCOMES:** *(The student should...)*

1. understand the nature and significance of money and the currency evolution.
2. learn the commercial banking process.
3. learn the roles of the Federal Reserve, U.S. Treasury Department, and banking system.
4. determine how the value of money changes.
5. understand the processes of inflation and deflation.
6. learn the commodity and quantity theories of the value of money.
7. learn the factors which contribute to cyclical fluctuations.

**METHOD OF EVALUATION**

1. Midterm and final exams
2. Case analysis
3. Special projects
4. Current events analysis

TEXTBOOK/INSTRUCTIONAL MATERIALS

Kidwell, Peterson & Blackwell, *Financial Institutions, Markets & Money*, 6<sup>th</sup> edition, Harcourt Brace.

Prepared by: Mark Healy  
Fall, 2007