Winthrop University
College of Business Administration
Economics 335
Money and Banking
Spring 2011

9:30 – 10:45 am; Tuesday/Thursday
Thurmond 308

Instructor: Dr. Laura D. Ullrich
Office: 104 Thurmond Hall
Office Hours: Monday 10:00 – 11:30 am; 1:00 – 4:00 pm
Tuesday 10:45 – 11:30 am; 1:15 – 2:00 pm
Wednesday 1:30 – 3:00 pm
Thursday 10:45 – 11:30 am; 1:15 – 2:00 pm
(and by appointment)
E-mail: ullrichl@winthrop.edu

Catalog Description
Analysis of financial markets, central banks and monetary policy.

Introduction
Welcome to Economics 335, Money and Banking. The primary goal of this course is for you to
learn the economic concepts associated with money, financial institutions and monetary policy.
Particular attention will be paid to the role of money and interest rates in the economy and how
they are interconnected in the determination of monetary policy. You will be exposed to the
United States banking system, how it currently works, and the history of its regulation. We will
also discuss monetary issues facing the United States and other countries around the world.
Given the recent recession and banking crisis in the U.S., we will also spend a good deal of time
focusing on current events and recent happenings in the banking and financial sectors.

There is A LOT of information for us to cover in this short period of time. Make sure that you
stay on top of the information that we cover each day, and come to see me if you need additional help.

General Education Course Goals:
To acquire and appreciate quantitative skills: Quantitative data and relationships are an integral
part of any course in economics. Students will learn how to calculate, analyze and use such
quantitative measures as costs, revenues, productivities and demand elasticities.

To use critical thinking, problem-solving skills and a variety of research methods: Students will
be expected to critically analyze a wide variety of public and private policy initiatives.
Understand the nature of social and cultural conflict and methods of resolution: Social and cultural conflict often originates with the disparate goals of consumers and producers, of competing producers, and of competing interest groups. Students will learn to appreciate how an efficient economic system can resolve these conflicts in a way that maximizes overall social value.

Examine problems, issues and choices that confront citizens of the world: Students will be expected to analyze such critical issues as poverty, resource scarcity, international trade, pollution, government regulation and the pros and cons of big business.

Student Conduct
As noted in the Student Conduct Code: “Responsibility for good conduct rests with students as adult individuals.” The policy on student academic misconduct is outlined in the Student Conduct Code Academic Misconduct Policy in the Student Handbook, which can be found online at http://www3.winthrop.edu/studentaffairs/handbook/StudentHandbook.pdf

Academic Dishonesty
Academic dishonesty is a serious offense because it diminishes the quality of scholarship and the learning experience for everyone on campus. An act of academic dishonesty may lead to such penalties as reduction of grade, probation, suspension, or expulsion from the University. I reserve the right to assign a grade of zero for actions involving violations of Winthrop’s Student Academic Misconduct Policy.

Technology Policy
Cell phones or related devices are not allowed at any time during class. If you are text messaging during class you will be asked to leave the room and will be counted absent for that day. Students are permitted to use a calculator during tests when needed, but it must be a basic calculator without storage functions (e.g. a dollar store calculator). Any student who is caught using an electronic device such as a cell phone, PDA, Blackberry, iPod, etc. during an exam will be subject to academic dishonesty prosecution. Graphing calculators are also strictly prohibited.

Disability Services
Winthrop University is dedicated to providing access to education. If you have a disability and need classroom accommodations, please contact Gena Smith, Coordinator, Services for Students with Disabilities, at 323-3290, as soon as possible. Once you have your Professor Notification Form, please tell me so that I am aware of your accommodations well before the first assignment, test, or paper.

Required Text

Tests
There will be three tests given in this class. There will be no comprehensive final exam. The tests will be a combination of multiple choice, true/false and short answer questions, and will be given during the class period. NO MAKEUP TESTS WILL BE GIVEN. You will be allowed to shift that portion of your grade to the final exam only if I am notified of the issue at
least one day prior to the test. In other words, if we have a test on Tuesday, I must receive an e-mail from you by 5:00 pm on Monday stating the reason for your absence. Otherwise you will receive a zero for that test. You may only be excused from a test under special circumstances (i.e., death in the family or severe illness). Not being able to get a ride to class or going to the beach for a long weekend are not acceptable excuses.

Tentative Exam Dates: February 10, March 24, April 27 at 8:00 am

The following things are not allowed during examinations in this course:
- Use of technological devices (see previous policy)
- Using the restroom. The class is only 75 minutes long, so you shouldn’t have any problems. Make sure you go right before class!
- Talking to your classmates
- Sleeping 😊

**Homework**
There will be five homework assignments given throughout the semester. The majority of the homework assignments will come from your book, with the exception of a few questions that will come directly from me. You will have at least one week to complete the assignment. Homework MUST be turned in AT THE BEGINNING OF CLASS on the day that it is due in order to receive credit. NO LATE HOMEWORK WILL BE ACCEPTED. When completing homework, all work must be shown to receive credit for the answer. Homework will be graded on the following scale.

<table>
<thead>
<tr>
<th>Score</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>0</td>
<td>Homework not completed or is entirely incorrect</td>
</tr>
<tr>
<td>1</td>
<td>Some effort made; majority of answers are incorrect</td>
</tr>
<tr>
<td>2</td>
<td>Substantial effort was made; some answers are correct</td>
</tr>
<tr>
<td>3</td>
<td>Considerable effort was made; substantial majority of answers are correct</td>
</tr>
</tbody>
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**Attendance**
I will take attendance in class each day. I expect you to come to class….PERIOD. While your attendance will not be a direct component of your grade, I will adhere to Winthrop’s attendance policy stated below.

The Winthrop University attendance policy states that any student missing more than 25% of the class meetings will receive an F in that class. Therefore, if you miss more than 8 class periods during the semester you will receive an automatic F in the class regardless of performance on tests and quizzes.

**Grading**
- Exam 1 25%
- Exam 2 30%
- Exam 3 30%
- Homework 15%
**Grading Scale**

- 90-100  A
- 80-89.9  B
- 70-79.9  C
- 60-69.9  D
- <60      F

**Anticipated Course Outline**

Chapter 1:  Why Study Money, Banking and Financial Markets?
Chapter 2:  An Overview of the Financial System
Chapter 3:  What is Money?
Chapter 4:  Understanding Interest Rates
Chapter 5:  The Behavior of Interest Rates
Chapter 6:  Risk and Term Structure of Interest Rates

**EXAM ONE**

Chapter 13: Central Banks and the Federal Reserve System
Chapter 14: The Money Supply Process
Chapter 15: The Tools of Monetary Policy
Chapter 16: The Conduct of Monetary Policy
Chapter 7:  The Stock Market, the Theory of Rational Expectations, and the Efficient Market Hypothesis

**EXAM TWO**

Chapter 8:  An Economic Analysis of Financial Structure
Chapter 9:  Financial Crises and the Subprime Meltdown
Chapter 11: Economic Analysis of Financial Regulation
Chapter 17:  The Foreign Exchange Market
Chapter 18:  The International Financial System
Chapter 24: Money and Inflation

**EXAM THREE**

If we have time I will also try to cover the following chapters:

Chapter 19: The Demand for Money
Chapter 20: The ISLM Model

**Important Dates of Note:**

- Last day of drop/add: January 14
- Course withdrawal deadline: March 9