

SAULT COLLEGE OF APPLIED ARTS & TECHNOLOGY

SAULT STE. MARIE, ONTARIO

COURSE OUTLINE

Course Title:- Money and Banking

Code No.:- ECN 204

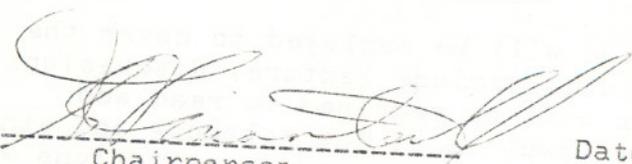
Program:- Business

Semester:- Four

Date:- 1987 01 02

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New: \_\_\_\_\_ Revision:  X

APPROVED:   
Chairperson

Date: 87-01-05

MONEY & BANKING

ECONOMICS 204

GENERAL

The study of economics requires that we examine many economic aspects but none is more important than the subject of money.

While money is not the only factor influencing economic activity, it is extremely difficult to think of a modern economic system without this form of currency. It is probably safe to say that we spend about half our lifetime trying to obtain money and the other half spending it.

Since money is so vital to us, personally and to our economic system, it is important that we understand what it is, what it can do, how it is controlled and how it affects economic activity.

This course is designed to examine and provide answers to these and other questions.

OBJECTIVES

1. To provide the student with the knowledge of the roles of money and the Canadian monetary system.
2. To stress the importance of and to provide an understanding of the role of fiscal and monetary policies and their relationship to the Canadian banking system.
3. To assist the student in understanding the significance of Central Banking and the Commercial Banking process in Canada.
4. To examine roles of money markets and interest rates and the measure of economic activity
5. To outline the significance of foreign exchange, the international economy and the balance of payments.

METHODOLOGY

A variety of methods will be employed to cover the course content. These will include lecture, discussions, and study groups. Students will be required to read and understand the relevant chapters of the textbook and other assigned readings. Student projects and presentations will also be assigned.

## EVALUATION & MARKING SCHEME

Students will be evaluated on the following basis:

Three tests	75%
Projects, assignments, any quizzes and class participation	25%

Dates of tests will be announced approximately one week in advance. Any quiz which may be given may or may not be announced in advance.

If a student is not able to write a test because of illness or a legitimate emergency, that student must contact the instructor prior to the test and provide an explanation which is acceptable to the instructor. (Medical certificates or other appropriate proof may be required.) In all other cases, the student will receive a mark of zero for that test. There will be no re-writes of any semester tests.

## FINAL GRADE

The final grade will be based on the following scale:-

85% and over	"A"
70% to 84%	"B"
60% to 69%	"C"
59% or less	"R"

Each student must meet the following requirements in order to complete this course successfully.

1. Must complete, in a fashion acceptable to the instructor, all projects and other assignments.
2. Must write all three semester tests and successfully complete at least two of the three tests. This means a minimum mark of 60% on each test.
3. Must have an overall mark of 60%. This mark includes all work in the semester.

Students who are not successful in achieving the minimum overall mark of 60% or any of the other requirements, may be allowed to write a supplemental test, in limited circumstances.

A student with a final mark of 55% to 59% may apply to the instructor for permission to write a supplemental test which will be based on work from throughout the semester. The instructor may allow the student to write the supplemental test based on the student's attitude, participation in class and provided that the student has attempted all semester test, has completed all projects and assignments as required and has given some indication of potential success on a supplemental test.

It is the responsibility of any student in this category to apply to write the supplemental test immediately when the final grades are posted.

A final grade of "C" will be assigned to any student who successfully completes the supplemental test.

In all other instances, students with a final mark of less than 60% or who have failed to meet the other requirements will have to repeat the course.

#### RESOURCE MATERIAL

1. Money, Banking & the Canadian Financial System, Fourth Edition; Methuen
2. Money & Banking: Analysis and Policy in a Canadian Context, 2nd edition, Gordon F. Boreham with Eli Shapiro Ezra Soloman, & William White; Holt, Rinehart, Winston.
3. The Financial Post
4. Other current publications

#### NOTE:

Quizzes, tests, assignments, projects, etc will be returned to students during one of the normal class times. Any student not present at that time must pick up his/her test, etc. at the teacher's office within two weeks after that class. Tests, etc. not picked up with the two weeks will be discarded.

Tests, etc. will be returned only to those students to whom they belong.

MONEY & BANKING  
COURSE OUTLINE - WEEKLY SCHEDULE

<u>WEEK</u>	<u>SUBJECT</u>	<u>READINGS</u>
1	The Functions & Evolution of Money	Chapter 1
	Monetary Standards	Chapter 2
2	North American Monetary Experiences	Chapter 3
	The Origin of Modern Banking	Chapter 4
3	The Development of Canadian Banking	Chapter 5
4	Commercial Banks as Creators of Money	Chapter 6
5	Banking Structure, Regulation & Competition	Chapter 7
6	Commercial Banking Operations	Chapter 8
7	Central Banking and the Bank of Canada	Chapter 14
	Monetary Policy & its Objectives	Chapter 15
8	Monetary Control:- Central Bank Instruments	Chapter 16
9	Government Operations & Monetary Control	Chapter 17
10	The Rate of Interest	Chapter 21
11	The Demand for Money	Chapter 22
12	Money: Supply & Demand	Chapter 23
13	International Payments Transactions	Chapter 28
14	Foreign Exchange	Chapter 29
15	Monetary Policy in Canada	Chapter 34

NOTE:- Additional readings will be assigned as the course progress.

THE ABOVE SCHEDULE IS SUBJECT TO CHANGE.

