

ECON 331 – Financial Economics

Scheduled hours per week:

Lecture: 3 hours/week, may be also offered hybrid or online.

Lab: 0

Others: none

Catalog Course Description: This course emphasizes the financial system, financial institutions, central banks, monetary policy, foreign exchange rate and financial stability. The course studies the role of money and interest rates in the operation of the U.S. economy. The aim is to give students an overview of the U.S. financial system and an understanding of the theory and practice of monetary policy.

Prerequisite: Economics 201 (Microeconomics) and Economics 202 (macroeconomics)

Co-requisites: none

Course learning Outcomes: Upon successful completion of the following course, the student will acquire the listed skills.

- Describe and discuss the functions, forms, and evolution of money
- Identify and describe the various financial markets and financial instruments
- Explain the operations of non-depository financial institutions
- Explain the operations of depository financial institutions
- Describe monetary policy through the operating procedures of the Federal Reserve System
- Explain the role of interest rate in investment decision making
- Analysis time value of the money
- Explain the role of the international financial market and foreign exchange rate

Topics to be studied:

- Why Study Money and Banking and What is Money
- An Overview of the Financial System
- Structure of Central Banks
- Multiple Deposit Creation
- Determinants of the Money Supply
- Tools of Monetary Policy
- Conduct of Monetary Policy
- The Demand for Money
- The Keynesian Framework
- Monetary and Fiscal Policy
- Aggregate Demand
- Money and Inflation
- Theory of Rational Expectations
- Interest rate, Risk and Time Value of Money
- Stock and Bond market
- Foreign Exchange Rate and Foreign Exchange Market

Relationship of Course to Program or Discipline Learning Outcomes:

Bachelors of Applied Science in Business Administration	
(BASBA) Program Outcomes	
<i>Accounting and Financial Management Concentration (AFM):</i>	
<ul style="list-style-type: none"> Communicate effectively and professionally both orally and in writing including complex report generation. 	X
<ul style="list-style-type: none"> Demonstrate and integrate the use functional areas of business including accounting, economics, finance, global business, management, marketing and the legal environment of business. 	
<ul style="list-style-type: none"> Demonstrate the ability to work ethically, effectively, and respectfully with people of diverse backgrounds and with people whom have different roles, social affiliations, and personalities. 	X
<ul style="list-style-type: none"> Build on the accounting-related competences developed in the AAS program and interpret and analyze accounting information for internal control, planning, and performance evaluation. 	
<ul style="list-style-type: none"> Demonstrate knowledge of generally accepted accounting principles and procedures and apply these to financial reporting situations. 	
<ul style="list-style-type: none"> Demonstrate knowledge of the global business environment and how financial reporting differs from the United States to other countries. 	X
<ul style="list-style-type: none"> Demonstrate an ability to communicate financial results to various stakeholders that increases the understanding of the financial situation of the organization. 	X
<ul style="list-style-type: none"> Function as a member of a financial planning team and provide support to other areas of the organization requiring timely financial data. 	X
<ul style="list-style-type: none"> Demonstrate an understanding of the ethical responsibilities of those in accounting practice and the importance of strong ethical standards to the functioning of the financial world. 	X

Bachelors of Science in Business Administration	
(BSBA) Program Outcomes	
<i>Accounting Specialization (ACCT):</i>	
<ul style="list-style-type: none"> Communicate effectively and professionally both orally and in writing including complex report generation. 	X
<ul style="list-style-type: none"> Demonstrate the use of quantitative skills in analysis of complex business decisions with a global perspective. 	X
<ul style="list-style-type: none"> Demonstrate and integrate the use functional areas of business including accounting, economics, finance, global business, management, marketing and the legal environment of business. 	X
<ul style="list-style-type: none"> Demonstrate the ability to work ethically, effectively, and respectfully with people of diverse backgrounds and with people whom have different roles, social affiliations, and personalities. 	X
<ul style="list-style-type: none"> Interpret and analyze accounting information for internal control, planning and performance evaluation. 	
<ul style="list-style-type: none"> Demonstrate knowledge of generally accepted accounting principles and procedures and apply these to financial reporting situations to corporate and board of directors' level executives. 	
<ul style="list-style-type: none"> Be able to demonstrate knowledge of the global business environment and how financial reporting differs from the United States to other countries. 	X
<ul style="list-style-type: none"> Demonstrate an ability to communicate complex auditing procedures and apply auditing techniques to provide assurance of the validity of financial reporting. 	
<ul style="list-style-type: none"> Demonstrate an understanding of the United States Income tax code and how to research complex tax situations to provide maximum benefit to the organization. 	
<ul style="list-style-type: none"> Be able to demonstrate an understanding of the legal environment of business. 	

<ul style="list-style-type: none"> • Be able to demonstrate an understanding of the ethical responsibilities of those in accounting practice and the importance of strong ethical standards to the functioning of the financial world. 	X
<ul style="list-style-type: none"> • Be admission-ready for a Master of Business Administration program if desired. 	X
<ul style="list-style-type: none"> • Be ready to sit for the Certified Public Accountant (CPA) exam if desired. 	

Associate of Science in Business Administration (AS/BA) Program Outcomes:

Relationship of Course to General Education Learning Outcomes:	
<ul style="list-style-type: none"> • Composition and Rhetoric Students illustrate a fundamental understanding of the best practices of communicating in English and meet the writing standards of their college or program-based communication requirements. 	
<ul style="list-style-type: none"> • Science & Technology Students successfully apply systematic methods of analysis to the natural and physical world, understand scientific knowledge as empirical, and refer to data as a basis for conclusions. 	
<ul style="list-style-type: none"> • Mathematics & Quantitative Skills Students effectively use quantitative techniques and the practical application of numerical, symbolic, or spatial concepts. 	X
<ul style="list-style-type: none"> • Society, Diversity, & Connections Students demonstrate understanding of and a logical ability to successfully analyze human behavior, societal and political organization, or communication. 	X
<ul style="list-style-type: none"> • Human Inquiry & the Past Students interpret historical events or philosophical perspectives by identifying patterns, applying analytical reasoning, employing methods of critical inquiry, or expanding problem-solving skills. 	X
<ul style="list-style-type: none"> • The Arts & Creativity Students successfully articulate and apply methods and principles of critical and creative inquiry to the production or analysis of works of art. 	X

Special projects the course:

- N. A.

Additional Information

- N.A.

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