

ECONOMICS 202
Macroeconomics
Dr. Evrensel

OUTLINE V: MONEY AND MONETARY POLICY

Parkin: Chapters 10, 11, 12, and 16

1. Money and its functions (**Ch. 10**)
2. Types of money (**Ch. 10**)
3. Official measures of money (**Ch. 10**)
4. The Federal Reserve Bank (**Chs. 10 & 11**)
 - 4.1 Origins of the Fed
 - 4.2 Formal structure of the Federal Reserve Bank
 - 4.2.1 District banks
 - 4.2.2 Board of governors
 - 4.2.3 Federal open market committee
 - 4.3 The Fed and money supply
 - 4.3.1 Reserve requirement
 - 4.3.2 Discount and Federal Funds Rate
 - 4.3.3 Open market operations
 - 4.4 Central bank independence and inflation (**Ch. 12**)
5. Targets of monetary policy (**Ch. 11**)
 - 5.1 Targeting the money supply
 - 5.2 Targeting the interest rate
 - 5.3 Targeting the exchange rate
6. Monetary policy (**Ch. 16**)
 - 6.1 Views regarding macroeconomic policy
 - 6.2 Types of monetary policy
 - 6.2.1 Rules
 - 6.2.2 Discretion (includes a discussion of the Phillips curve)
 - 6.2.3 Rules or discretion?
7. Alternative Monetary Systems