## **Chapter 7 Banking**

## **Economics and You: The Federal Reserve System**

**Directions** Research the role the Federal Reserve System played in the banking crisis of 2007-2008. Take written notes on your findings and cite your sources. Below are a few topics that you may want to include in your research.

- Changes in the 2000-2003 Federal Reserve Federal Funds rate and reason for the changes
- Subprime mortgages
- Home prices before and after the banking crisis
- Trouble Assets Recovery Program (TARP)

## **Collaborate & Report**

Work in small groups to prepare a presentation on the U.S. Banking Crisis in 2007-2008. Share the work you completed. Be sure to cover what caused the banking crisis, what actions were taken by the Federal Reserve System, and what changes occurred in banking as a result. Include a section on how the banking crisis affected investment banks, insurance companies, and consumers too.

Name	_ Date	Class
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Exemplary	Satisfactory	Poor	
(8-10 points)	(7-4 points)	(3-0 points)	
<ul> <li>Includes all of the required content elements</li> <li>Very well organized</li> <li>All details provided</li> <li>No grammatical errors</li> <li>Neatly keyed or handwritten</li> <li>Creatively designed and executed presentation</li> </ul>	<ul> <li>Includes some of the required content elements</li> <li>Well organized</li> <li>Many general details provided</li> <li>Few grammatical errors</li> <li>Neatly keyed or handwritten</li> <li>Somewhat creative presentation</li> </ul>	<ul> <li>Includes few or none of the required content elements</li> <li>Disorganized</li> <li>Few or no details provided</li> <li>Many grammatical errors</li> <li>Typos or illegible handwriting</li> <li>Basic presentation with little creativity</li> </ul>	

**Directions** Use the following rubric to guide you in preparing the presentation.

Criteria	Exemplary	Satisfactory	Poor	Student	Teacher		
	(10-8 points)	(7-4 points)	(3-0 points)	Score	Score		
Content							
Concept and reason for							
subprime mortgages							
Federal Reserve's							
rationale for lowering							
interest rates and the							
effect on housing							
Effect of the bank crisis							
on investment banks,							
insurance companies,							
and consumers							
Federal Reserve's loan							
guarantees							
Explanation of TARP							
	N	Iechanics					
Logical organization							
and continuity							
Level of detail							
Speaking and listening							
skills: appropriate							
visual aids (oral)							
Neatness, legibility,							
spelling, and grammar							
			Total				