

# Mining and Teaching Practice of Ideological and Political Elements in Money and Banking Course Based on Beihai Bank

Juan Zhao<sup>1,a</sup>, Jun Cheng<sup>1,b,\*</sup>

<sup>1</sup>Business School, Linyi University, Linyi, China

<sup>a</sup>cloud0436@163.com, <sup>b</sup>chengjun1998@163.com

\*Corresponding author

**Abstract:** Beihai Bank is one of the three founding banks of the People's Bank of China, and it is the red financial institution that lasts the longest time in China, making great contributions to the victory of the Revolutionary War and the economic construction, occupying an important position in the history of financial and monetary history of China's Revolutionary Basing Areas, and it is a valuable resource for the construction of financial courses' ideology and politics. Based on the financial practices of the Beihai Bank, the content of the ideology and politics of the Money and Banking course is systematically integrated. This paper deeply explores the ideological and political elements embedded in Beihai Bank and integrates them into the whole teaching process, organically integrates the first classroom and the second classroom, improves the integration of Beihai Bank's ideological and political elements with the Money and Banking course, and realizes the continuation and transmission of the red financial elements in the construction of ideology and politics in the Money and Banking course.

**Keywords:** Beihai Bank, Money and Banking, Ideological and Political Elements

## 1. Introduction

Beihai Bank is a bank established by the Communist Party of China (CPC) in the revolutionary base area of Shandong during the War of Resistance against Japanese Aggression and the War of Liberation, and it is a red financial institution with the longest duration, the strongest financial strength, the most sound institutional hierarchy, the most perfect rules and regulations, and the widest operations scope in China<sup>[1]</sup>. Beihai Bank was founded in December 1938 in Yexian County (Laizhou at present), Shandong Province. It formally established the General Bank of Beihai Bank in Yinan County, Shandong Province, in October 1940, and merged with the North China Bank and the Northwest Farmers' Bank to form the People's Bank of China (PBOC) on December 1, 1948, making it the largest cornerstone of the PBOC. Beihai Bank was instructed to be renamed as the Shandong Province branch of the PBOC in November 1949, and Beihai Bank came to an end<sup>[2]</sup>.

Under the leadership of the CPC, Beihai Bank used the "Beihai Currency" as a weapon and started a "financial dark war" with the Japanese invaders and the reactionary regime of the Nationalist Party (Guomindang, GMD, or KMT) in Shandong, which lasted for eleven years and not only made a great contribution to the economic construction of the Shandong Revolutionary Bases and the Liberated Areas but also provided a solid and powerful guarantee for the issuance of the RMB of the new China, which occupies an important position in the history of the financial and monetary history of the Chinese Revolutionary Bases.

Beihai Bank after eleven years of arduous struggle implies the Yimeng spirit of hard work, not afraid of suffering, selfless dedication, and the courage to fight<sup>[3]</sup>, and its rich historical resources provide a vivid case for the red financial culture educating people. Integrating the red financial culture into the construction of financial course ideology in colleges and universities, running through the whole process of financial talent cultivation, and promoting the inheritance of red genes is an important theoretical and practical proposition for the innovation of financial course ideology in contemporary times.

Money and Banking is the core compulsory course for finance majors, and it is the earliest financial course that students come into contact with. It is characterized by both fundamentals and humanities, and it is of great significance to the cultivation of "unity of knowledge and action" and "moral and behavioral cultivation" for the financial talents by drawing on history, educating the people, and serving reality.

Beihai Bank contains elements of patriotism and love of the party, pioneering, hard work, selfless dedication, honesty, trustworthiness, and other aspects of the ideological and political elements. In-depth excavation of the humanistic spirit and values embedded in Beihai Bank, using the red stories and red characters of Beihai Bank as teaching cases, and integrating them into all aspects of the theoretical and practical teaching of Money and Banking. At the same time, grasping the characteristics of new youth, new technology, and new media, innovating teaching forms and carriers, exploring new paths and methods, and effectively enhancing the integration of red financial elements with the ideology and politics of the Money and Banking course.

## 2. Financial Practices of Beihai Bank

Beihai Bank, a local national bank that was established and developed during the War of Resistance against Japanese Aggression, was the supreme organ of local banks in the Shandong Liberation Area, and all its activities were characterized by “wartime finance” and “local finance”<sup>[4]</sup>, with two main tasks: monetary struggle and banking operations.

### 2.1 Conducting the Monetary Struggle Against the Financial Aggression of Hostile Forces

The monetary struggle of Beihai Bank basically formed a pattern of “one body and two wings,” that is, with the credit construction of the CPC Beihai Currency as the “main body” and with the suppression of Japanese counterfeit banknotes (weichao), the exclusion of the Nationalist currency (*fabi*), and the cleaning up of miscellaneous native currencies as the “two wings.”<sup>[5]</sup> Eventually, through the monetary struggle, a unified, independent, and autonomous Beihai currency market was established in Shandong, providing financial security for the victory of the revolutionary struggle.

### 2.2 Conducting Banking Operations in Support of the War and Economic Construction

In terms of banking operations, Beihai Bank, in addition to granting commercial loans, also focuses on granting policy loans and carrying out cooperative financial operations while having the functions of issuing currency, financial regulation, and supervision. It was an all-in-one bank that combined commercial, policy, cooperative finance, and central banking functions.<sup>[6]</sup>

Firstly, as the “central bank” of the Shandong base area, Beihai Bank steadily performed the functions of a national bank. Beihai Bank not only had the right to issue currency but also had other central bank functions such as currency regulation, monetary management, financial supervision, and agent treasury. Beihai Bank issued a total of more than 789.2 billion yuan of Beihai currency<sup>[7]</sup>, which strongly supported the military struggle of the People's Army. It creatively put forward the “material standard<sup>[8]</sup>”, ensuring that the currency has an intrinsic value, successfully controlling inflation and lowering prices. The value of the Beihai currency was stable, with a high credit rating<sup>[9]</sup>, and it was trusted by the people.

Secondly, as a “commercial bank,” Beihai Bank supported the Revolutionary War and the construction of base areas to improve people's livelihoods. Beihai Bank handled the granting of loans, investment in industry and commerce, operating deposits, bill remittance, and the acquisition of gold and silver. At the beginning, loans were mainly agricultural loans to poor farmers and resistant families, and the interest rate on the loans was low, clearly differentiating them from usurious loans. Later on, a variety of specialty loans, such as textile loans and fishery loans, were developed. By adhering to the two principles of democratism and productivism in lending, Beihai Bank had successfully solved the difficulties of selecting target objects and recovery in lending, guaranteed the correct use of loans as far as possible, promoted the overall improvement of family production capacity, and greatly increased the people's confidence in and support for the CPC.

## 3. Integration of the ideological and political elements of Beihai Bank into the teaching of the Money and Banking course

Deeply excavating the ideological and political elements of the Beihai Bank, reconstructing the ideological and political aspects of the Money and Banking course around the financial practices of the Beihai Bank, and further modularizing the “teaching content” so that each knowledge module is equipped with the corresponding ideological and political elements. According to the characteristics of the specialized knowledge modules, we penetrate layer by layer and realize the comprehensive integration of more than 30 points of ideological and political integration in nine modules, as shown in Table 1.

Through videos, animations, websites, practical collaboration, and other means, the “ideological and political elements” are integrated into every task of the teaching content so as to achieve the purpose of implicit ideological and political education.

Table 1: Correspondence of ideological and political elements into the design of Money and Banking course at the Beihai Bank.

| Knowledge Modules | Knowledge Points   | Ideological and Political Elements   | Teaching methods   | Teaching Cases  |
|-------------------|--|--|--|---|
| Money             | (1)Types of money<br>(2)Functions of money   | To better understand the history, present, and future of the RMB, to demonstrate the power of China, and to promote patriotism.  | Literature introduction, historical analysis, hotspot tracking, and watching the video of the Beihai Bank. | Introducing the Beihai Bank, getting to know Beihai currency, understanding the contribution of Beihai currency at the beginning of RMB issuance, and better understanding the history of RMB. Introduces the internationalization of RMB and the process of RMB's accession to SDR, highlighting China's power.  |
| Monetary System   | (1)Content of the monetary system<br>(2)Evolution of the monetary system   | Firm confidence in the system, continuous pioneering and innovation, and strengthening the spirit of innovation.   | Literature introduction, case discussion, and comparative analysis.  | Introduces the material standard system created by the Beihai Bank, compares the differences with the financial systems of Western countries, and understands the Renminbi system.  |
| Credit            | (1)Meaning and characteristics of credit<br>(2)Importance of monetary credit   | The importance of credit building and the promotion of honesty and trustworthiness.  | Comparative analysis, case study.  | Reflect on the basis of the functioning of the Beihai currency and introduce the issue of credit. Analyze the credit of the Beihai currency and the building of credit in the Beihai currency in comparison with the <i>fabi</i> of the GMD.  |
| Interest Rate     | (1)Calculation of interest<br>(2)Types of interest rates<br>(3)The role of interest rate<br>(4)Theory of interest rate | Enhance patriotism, love the country and the Party, recognize the correctness of the Party's people-centered implementation policy, enhance the superiority of the socialist system, and strengthen the system's self-confidence.                                | Hotspot tracking, case studies, and comparative analysis.  | Introduction to preferential interest rates and financial inclusion. Combined with the literature to explain the agricultural loan interest policy of the Beihai Bank, students analyze China's current "three rural" preferential interest rates and their role.   |
| Financial Markets | (1)Types of financial markets<br>(2)The role of financial markets  | The importance of financial regulation and strengthening innovation while enhancing risk awareness and adherence to bottom-line thinking.  | Visiting the Beihai Bank Memorial Hall.  | Tells of the monetary struggles of the Beihai Bank and the establishment of a unified, independent, and autonomous currency market for Beihai currency.   |
| Commercial Bank   | (1)The nature and role of commercial banks<br>(2)Operations of commercial banks<br>(3)Management of commercial banks   | Being based on the people and remaining true to the original aspiration of serving the people.   | Comparative analysis, hotspot tracking, and on-site teaching: Beihai Bank Museum.                          | Learn about bank management, especially loan management, in relation to the operations of the Beihai Bank. Introduce financial hotspots such as inclusive finance and green finance.  |
| Central Bank      | (1)Functions of central bank<br>(2)Central bank's statement of assets and liabilities<br>(3)Financial infrastructure   | People-oriented, pragmatic, honest and trustworthy, bold and innovative, adhering to the Chineseization of Marxism, and mastering the ability to solve China's financial problems.   | Comparative analysis, discussion.  | Compare the functions of the Beihai Bank and the People's Bank of China; students work in groups to discuss the financial principles followed in the successful issuance of the Beihai currency and to explain the financial theoretical underpinnings behind the practice of red finance.  |
| Monetary Theory   | (1)Money supply<br>(2)Money demand<br>(3)Inflation and deflation   | People-centered, practical, and innovative. Explain the mystery of inflation, mint tax, and currency overshooting and better grasp the central government's macroeconomic policymaking.  | Literature introduction, discussion, comparative analysis, visiting Yimeng Red Finance Exhibition Hall.    | Understand that the Beihai Bank conducts its operations based on the actual needs of farmers supplying Beihai currency; understand the relationship between the supply of money, the demand for money, and the level of prices; and discuss the effects of currency overshooting based on actual data on the amount of Beihai currency issued and the level of prices compared to the <i>fabi</i> and prices in the GMD's Region. |
| Monetary Policy   | (1)Objectives of monetary policy<br>(2)Transmission mechanism of monetary policy                                       | Love the Party and the military, adhere to the Chineseization of Marxism, remain true to the original aspiration of serving the people, adhere to the positioning of serving the real economy, seek truth from facts, and be practical with selfless dedication. | Case study, watch video, discussion.   | Learn about the monetary policy practices of the Beihai Bank; organize a discussion of the People's Bank of China Act; and learn what it really means to keep the value of the currency stable and, in so doing, promote economic growth.   |

### **3.1 Integration Elements and Modes**

#### **3.1.1 The Spirit of Patriotism**

The spirit of patriotism is always present in the teaching of the Money and Banking course. For example, in the “Money” knowledge module, it is introduced that the Beihai Bank was initially created by the CPC's organization with local anti-Japanese patriotic democrats from all walks of life. At that time, the preparations for the bank and the specific work of issuing Beihai currency were carried out under the leadership of a non-partisan patriotic democrat named Zhang Yutian, who had been the manager of the Qingdao Zhonglu Bank. It guides students to experience the great spirit of patriotism, thickens their patriotic feelings, and strengthens their sense of national pride.

#### **3.1.2 The Spirit of Selfless Dedication**

The spirit of selfless dedication is the fundamental embodiment of the revolutionary martyrs' courageous advancement for the sake of lofty revolutionary ideals, fully demonstrating that the Chinese communists always put the interests of the country and the collective interests above all else. For example, in the “Central Bank” knowledge module, the saga behind the Beihai currency is recounted as a story of wading through danger. The Beihai Bank was the most difficult when it came to establishing and developing a banknote printing plant. Most of the time, due to a lack of talent and materials and the danger of blockade sweeps, for security reasons, banknote printing, plate making, cutting, marking, stamping, appraisal, and other processes had to be carried out separately; the tickets needed to run back and forth in different locations. The pioneers responsible for the printing of banknotes tried every possible means to ensure the printing of the Beihai currency, regardless of their personal safety and in spite of the difficulties and obstacles. Students deeply feel that each piece of Beihai currency has condensed the painstaking efforts of banknote printers and the spirit of selfless dedication.

#### **3.1.3 The Spirit of Innovation**

The spirit of innovation is an inexhaustible driving force for a country's development. For example, the material standard created by the Beihai Bank is introduced in the “Monetary System” knowledge module. In the 1940s, most Western countries were on the gold standard. The Shandong base had neither gold and silver reserves nor foreign exchange support such as pounds and dollars, and later cut off ties with the *fabi*. Xue Muqiao, a famous economist, combined the practice in the Shandong base area and put forward the new theory of material standard, i.e., the Beihai currency was issued with the guarantee of salt, cotton, and other strategic materials, and for every 10,000 yuan of Beihai currency issued, there were 5,000 yuan of strategic materials as a guarantee. If prices rise, sell supplies to repatriate the money; conversely, increase the amount of money issued and buy supplies. Thus, “the value of money is determined by the quantity of money issued, not by the value of the gold it contains”<sup>[10]</sup>, which profoundly reveals the inherent law of monetary operation and demonstrates the height, depth, and forward-looking nature of the Chinese communists in the innovation of financial theories. In each knowledge module, a “practice guide” is set up to guide students to do more, think more, and use their brains more. Ultimately, through the continuous practice of each module, students gradually form a sense of innovation and improve their innovation ability.

#### **3.1.4 The Spirit of Cleanliness**

The spirit of cleanliness permeates the teaching of the Money and Banking course. Financial work cannot be done without money, and adherence to professional ethics is a necessary spirit for financial learners. For example, in the knowledge module on “Financial Markets,” we talk about real cases such as the Beihai Bank's “printing money but not taking it” and “bringing gold but not losing it.” The Beihai Bank cooperated with the Shandong Bureau to secretly deliver gold for the Party Central Committee and the headquarters of the Eighth Route Army. Due to the Japanese and pseudo-army everywhere checking blockade, it was often carried through the way of personal transportation of gold, each carrying about 10 taels of gold. There was no loss of gold over the thousands of miles. Students are guided to enhance their awareness of integrity and self-discipline, to establish an attitude of reverence for their profession and dedication to their work, and to fasten the safety belt of cleanliness.

#### **3.1.5 The Spirit of Integrity**

Integrity is the basic guarantee that the CPC can always gain the support of the people. Integrity is our fundamental moral code. For example, in the “Credit” knowledge module, the fact that the Beihai currency was recognized and accepted even after a change in the location of the base's authority and that the organs and military of the anti-Japanese base took the lead in the use of the Beihai currency gave the

people more trust and confidence in the anti-Japanese base and led to the smooth continuation of the Beihai currency<sup>[11]</sup>. The Beihai Bank had thus established a relationship of trust with the people and was always at the service of this trust. Students are guided to appreciate the consistent integrity of the Beihai Bank and strengthen their sense of integrity.

### 3.1.6 The Spirit of Service to the People

The Beihai Bank also embodies the ideas of mass view, democracy, and people-oriented thinking, and integrating these positive ideas into the teaching of Money and Banking is conducive to fostering students' democratic concepts and enhancing their political literacy. For example, low-interest loans from the Beihai Bank are introduced in the “Commercial Bank” knowledge module. The Beihai Bank had always put the interests of the people first, not only insisting on low and reduced interest rates but also paying more attention to the production of the people after they got the loans. Staff members often went to the people to understand their needs and help them solve practical difficulties in production and life. Students are guided to realize the spirit of service to the people wholeheartedly, to appreciate the sentiment of serving the people, and to remain true to the original aspiration of serving the people.

### 3.2 Implementation Strategies for Teaching Ideological-Political Integration

Organic integration of “red finance + the first classroom + the second classroom,” the whole process of ideological and political elements into the teaching (as shown in Figure 1), makes full use of the Beihai Bank Museum, Yimeng Red Finance Exhibition Hall, and other educational bases to realize the ideological and political practice of educating people.

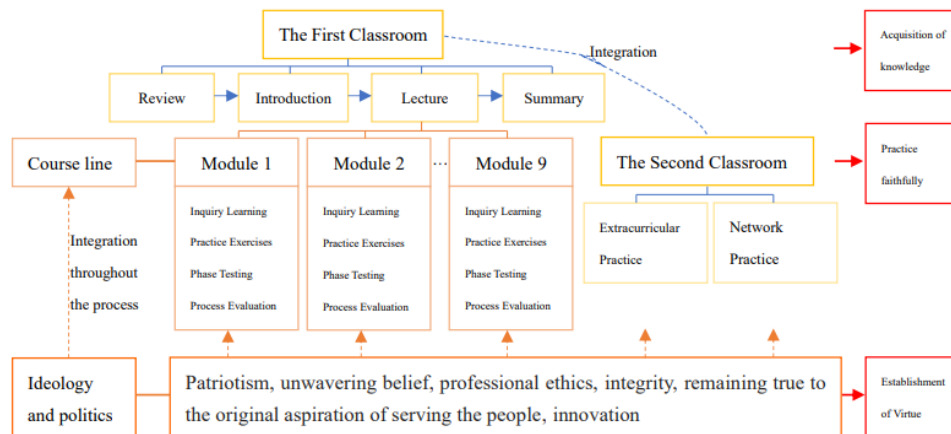


Figure 1: Implementation strategies for teaching ideological-political integration.

#### 3.2.1 Full Use of the First Classroom

Firstly, the Beihai Bank's historical resources are integrated into new lessons and into the end-of-course review. The integration of Beihai Bank into the course is to promote the process of “three steps” (referring to “into the textbook, into the classroom, into the mind”) of red resources<sup>[12]</sup>, through “into the textbook, into the classroom,” so that the spirit of Yimeng is really “into the mind,” to promote the realization of the course of educating the people, and to enhance the effectiveness of the teaching<sup>[13]</sup>.

Secondly, the Beihai Bank's ideological and political elements are integrated into after-class assignments and after-class readings. At the end of a new class, assign after-class assignments and after-class readings related to the Beihai Bank, or stipulate a bibliography related to what has been learned, so that students can consciously receive education on the red financial culture even after class.

Finally, the Beihai Bank's resources are integrated into the assessment and evaluation system. Adjusting the evaluation system of Money and Banking classes, recording videos related to the Beihai Bank, telling red financial stories, making manuscripts related to the spirit of Yimeng, and writing papers and afterthoughts related to the Beihai Bank are counted in the usual grades, so as to review the students' learning in a variety of ways.

#### 3.2.2 Active Expansion of the Second Classroom

##### 3.2.2.1 Developing the second classroom for extracurricular practice.

The most effective way to integrate red resources into the course of ideological education is to

combine theory with practice, not only to introduce red resources into the classroom but also to integrate red resources into the actual lives of students. By coordinating classroom learning with extracurricular practice, interpenetrating explicit and implicit education, and complementing theoretical and practical education, we fully explore and utilize the resources of the Beihai Bank in the region and carry out a variety of social practice activities in combination with the actual situation of the students, leading them out of the classroom, and enhancing the penetration and coverage of ideological and political parenting.

Firstly, students were organized to visit the Beihai Bank Museum, the Beihai Bank Memorial Hall, and the former site of the Beihai Banknote Printing Plant, so that they could feel the richness of the Beihai Bank and the profound influence of the revolutionary spirit.

Secondly, “red summer camps,” “red winter camps,” and other red study tours are carried out during holidays, winter and summer vacations, and other extracurricular time to experience history, broaden horizons, and, to a certain extent, bring history and reality closer together and enhance the vividness and contextualization of teaching.

Thirdly, students are instructed to utilize their spare time as volunteers to work as docents in the Beihai Bank Museum to explain the relevant contents to students and tourists who come to visit the museum. Through the opportunity to tour the museum, students themselves play the role of educators while receiving education, realizing the combination of educating people and themselves.

#### ***3.2.2.2 Creating the second classroom for network practice.***

In the context of the integrated development of new media, give full play to the advantages of new technology and new media, fit the characteristics of students in the new era, innovate the way of resource utilization, create a new path of network practice, and fully realize the organic combination of the first classroom and the second classroom.

Firstly, the red online space of the Beihai Bank's microblog, WeChat Public Number, and other red online spaces, including text materials, pictures, audio-visual works, VR resources, and other forms, are created to serve as auxiliary teaching resources for the Money and Banking course, so as to realize the liberalization of the time and space of teaching, the three-dimensionality of the teaching situation, and the multi-dimensionality of the learning experience.

Secondly, the production of micro lessons, presenting the history of Beihai Bank in a micro lesson manner, increases the interestingness, while students actively participate in the creation of the micro lesson text, which improves students' interest in learning and deepens students' understanding of the red financial culture of Beihai Bank.

Finally, the micro-video and micro-film production competitions are carried out to stimulate students' subjectivity so that they can perceive the spirit of Yimeng and spread the spirit in a deep understanding of the history of the Beihai Bank and to consolidate the effectiveness of the ideology and politics in the Money and Banking course.

## **4. Conclusion**

Learning from history and “building virtue”. Beihai Bank has made a historic contribution that deserves to be remembered and explored forever. This paper is based on the Money and Banking course and the characteristics of students in the new era, an in-depth excavation of the Beihai Bank's ideological and political resources, the design of the ideological and political elements into the whole process of teaching Money and Banking implementation strategy, and teaching to explore. This paper integrates Beihai Bank's ideological and political elements with the teaching of Money and banking courses in depth, gives full play to the ideological guidance and value-oriented function of red financial resources in the course of teaching and educating people, and expects to provide useful practical inspiration for the course's ideological and political construction.

## **Acknowledgments**

This research is the result of the “Curriculum Ideological and Political” Project of Linyi University. (K2021SZ012)

## References

- [1] Zhou Fengmin. (2021) *The Bright Pearl of Red Financial History*. *China Finance*, Z1, 91-93.
- [2] He Chuanfen. (2021) *Remembering the Red Financial History and Inheriting the Spirit of Beihai Bank*. *China Numismatics*, 06, 65-69.
- [3] Jiang Wanjin, Ji Wei. (2021) *The Great Years of Beihai Bank*. *China Finance*, 11, 23-25.
- [4] Shandong Provincial Archives Bureau. (2015) *Beihai Bank Bearing Historical Mission*. *Openings*, 24, 44-45.
- [5] Zhong Qinwu, Zheng Chenglin. (2023) "Prohibition of Counterfeiting": A Re-examination of the Monetary Struggle in Shandong Anti-Japanese Bases. *Shandong Social Sciences*, 02, 151-161.
- [6] Zheng Lujun, Li Han, Sun Jun. (2021) *Analyzing the Historical Position of Beihai Bank in China's Red Finance*. *Huabei Finance*, 05, 81-93.
- [7] Shandong Numismatic Society. (2015) *Beihai Bank Currency Large Series*. Shandong: Qilu Press, preface p. 1.
- [8] Xue Muqiao. (1943) *Currency Problem and Currency Struggle*. Archives of Shandong Province.
- [9] Zheng Lujun, Li Han, Sun Jun. (2021) *Analyzing the Historical Position of Beihai Bank in China's Red Finance*. *Huabei Finance*, 05, 81-93.
- [10] Xue Muqiao. (2006) *Memoirs of Xue Muqiao*. Tianjin: Tianjin People's Publishing House.
- [11] Wei Jian. (2023) *Financial Penetration and State Capacity: The History of Beihai Bank*. *Researches In Chinese Economic History*, 02, 86-100.
- [12] Wang Binglin, Zhang Taicheng. (2018) *Red Cultural Resources of Colleges and Universities Parenting Development Report 2017*. Beijing: People's Publishing House, 95.
- [13] Lei Wenjing. (2019) *Study of Integrating Red Resources into Ideological and Political Education in Colleges and Universities*. Hunan Normal University, Master's thesis.