

Money and Banking

Professor Yu-Li Wang

Objective

This is an advanced Economics course. It covers a broad range of topics in the fields of Monetary Economics and Finance. In this course, we will discuss the financial and banking system including the issues of money, interest rates, financial structures...etc. We will also cover the topics of central banking and monetary theory. After this course, you will have a better understanding of how the financial system functions in the economy, how the central bank conducts its monetary policy, and the theories behind those policies.

Prerequisites Principle of Economics (1 year)

Textbook

The Economics of Money, Banking, and Financial Markets, 13th Edition (2022),
Frederic S. Mishkin, Pearson Education Limited. (Required) , Hwa Tai Publishing

Class Meeting Time and Place

Thursday 2:10 P.M. ~ 5:00 P.M., Room C103,
Management Building

Grading Policy

Exams: 70%. There will be one mid-term exam and a comprehensive final examination. The mid-term exam will account for 30% and the final exam will account for 40% of your total grade.

General performance: 30%. It includes: quizzes, homework, class participation and presentation...etc. The purpose of these activities is to help you assimilate the materials covered in the class and prepare for the exams. **Please note that late homework will not earn you any credit.**

Importance: **You should take the exams with your class. Any form of cheating will result in your failure in this course.** If you missed the exam for acceptable excuses such as a university-sponsored excursion, a critical illness or a death in your family, you must talk to me within a week after the exam to arrange for a make-up exam or receive no credit for that exam.

Suggestions

Since this course is closely related to the real world economic events, I encourage you to pay more attention to the financial news and related information on the web or in the newspapers and business-type magazines. The exams might ask you to analyze the related news reports.

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Office Hours: Monday 1:30~3:30 P.M. or by appointment

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Course Outline:

This is the tentative schedule. I reserve the rights to add or drop some of the materials.

Week	Date	Topics	Chapters
1	Sep. 15	Introduction.	Mishkin Ch. 1
2	Sep. 22	An Overview of the Financial System	Mishkin Ch. 2
3	Sep. 29	What is Money?	Mishkin Ch. 3
4	Oct. 6	Understanding Interest Rates	Mishkin Ch. 4
5	Oct.13	Understanding Interest Rates	Mishkin Ch. 4
6	Oct. 20	The Behavior of Interest Rates	Mishkin Ch. 5
7	Oct. 27	The Risk and Term Structure of Interest Rates	Mishkin Ch. 6
8	Nov. 3	The Risk and Term Structure of Interest Rates	Mishkin Ch. 6
9	Nov. 10	Mid-term Examination	
10	Nov. 17	An Economic Analysis of Financial Structure	Mishkin Ch. 8
11	Nov. 24	Banking and the Management of Financial Institutions	Mishkin 9
12	Dec. 1	Banking Industry: Structure and Competition	Mishkin Ch.9, 11
13	Dec. 8	Central Banks	Mishkin Ch. 14
14	Dec. 15	The Money Supply Process	Mishkin Ch 15
15	Dec. 22	Financial Crises	Mishkin Ch.12
16	Dec. 29	Financial Crises	Mishkin Ch.13
17	Jan. 5	Final Examination	