



蘇州大學
Soochow University

ECO 350 Monetary Economics

Summer 2023

Course Credits: 4

Contact Hours: 55 hours

Instructor: TBA

Email: TBA

COURSE OBJECTIVES

This course offers an introduction to students about Monetary Economics. Students will not only discuss the flow of funds, the demand for money, the behavior of financial institutions and issues in monetary policy, but also learn the monetary theory, the techniques of economic modeling and the application of economic analysis. Topics like the optimum quantity of money, optimal monetary, fiscal policy, uncertain and sequential trade models, central bank emergency lending in crises will be discussed.

Upon Completion of this Course, students will be able to:

1. Understand the theories and concepts of the monetary theory;
2. Apply economic modeling to discuss economic phenomenon;
3. Apply the theories to analyze the behavior of financial institutions and issues in monetary policy;
4. Gain knowledge of definition and application of interest rates and exchange rates in the economy.

PREREQUISITES

N/A

GRADING

Grades will be determined by accumulating points, with 100 points being the maximum, as follows:

ITEM

POINTS



Quizzes	30 Points
Essays	20 Points
Midterm	20 Points
Final Exam	30 Points
Total	100 Points

Late submissions will be graded at the end of the course. Grades will be assigned according to the following rule:

$$A \geq 90 > B \geq 80 > C \geq 70 > D \geq 60 > F.$$

We reserve the right to make adjustments to the overall grading policy.

COURSE MATERIALS

Required Texts:

Economics of Money by Frederic S. Mishkin, Banking and Financial Markets, 11th Edition, 2016.

Recommended (Optional) Texts or Other Materials:

None

COURSE TOPICS

MODULE	TASKS
Module 1	Topics: Topic 1: Why Study Money, Banking, and Financial Markets? Topic 2: An Overview of the Financial System; What Is Money? Topic 3: Financial Markets Topic 4: The Meaning of Interest Rates Topic 5: The Behavior of Interest Rates Assessments: Quiz#1
Module 2	Topics: Topic 6: The Behavior of Interest Rates Topic 7: The Risk and Term Structure of Interest Rates Topic 8: The Stock Market, the Theory of Rational Expectations, and the Efficient Market Hypothesis Topic 9: Banking and the Management of Financial Institutions Topic 10: Economic Analysis of Financial Regulation



	<p>Assessments: Essay#1 Quiz#2</p>
Module 3	<p>Topics: Topic 11: Banking Industry: Structure and Competition Topic 12: Financial Crises Topic 13: Central Banking and the Conduct of Monetary Policy Topic 14: Central Banks and the Federal Reserve System Topic 15: The Money Supply Process</p> <p>Assessments: Midterm Quiz#3</p>
Module 4	<p>Topics: Topic 16: Tools of Monetary Policy Topic 17: The Conduct of Monetary Policy: Strategy and Tactics Topic 18: International Finance and Monetary Policy Topic 19: Monetary Theory; The IS Curve Topic 20: Quantity Theory, Inflation, and the Demand for Money</p> <p>Assessments: Essay#2</p>
Module 5	<p>Topics: Topic 21: The Monetary Policy and Aggregate Demand Curves; Aggregate Demand and Supply Analysis Topic 22: Monetary Policy Theory; The Role of Expectations in Monetary Policy Topic 23: Transmission Mechanisms of Monetary Policy Topic 24: Financial Policy and Factors; Financial Crises in Emerging Market Economics Topic 25: The ISLM Model Non-bank Finance Financial Derivatives; Conflicts of Interest in the Financial Services Industry</p> <p>Assessments: Final Exam</p>

ATTENDANCE

1) Class attendance is required. Missing classes without permission will lead to decrease in overall grade.

Missing less than two classes: no penalty.

Missing more than two classes: 7% will be taken off from the overall grade.

If the instructor reports a student's frequent missing of class to the Soochow



University Academic Administration Office, the student might get a written warning and might be prohibited from attending final exam.

2) Participants in this course are expected to arrive in class promptly and adequately prepared. The primary objective of this course is to critically engage with the readings and the subject matter. Therefore, course participants are expected to have completed the reading prior to class and prepare thoughtful reflections/commentaries to share with fellow colleagues.

LEARNING REQUIREMENTS

- 1) Late assignments are not acceptable and are subjected to grade deductions.
- 2) Assignments submitted in the wrong format will be counted as not submitted.
- 3) Failure to submit or fulfill any required course component results in failure of the class.
- 4) Make-up for midterm and final exams only with valid excuses, as defined by the University.
- 5) In order to earn a Certificate of Completion, participants must thoughtfully complete all assignments by stated deadlines and earn an average quiz score of 50% or greater.

TECHNOLOGY POLICY

The use of electronic devices in class is distracting, both for the user and for the rest of the class. Only non-programmable calculators can be used in the tests and exam. Any attempts to use cell phones and other electronic communication devices will be seemed as cheating. Laptops are discouraged, unless you use them for activities DIRECTLY related to the course (eg., note taking, reading course documents).

ACADEMIC INTEGRITY POLICY

Soochow University highly values the academic integrity and aims to promote the academic fairness, honesty and responsibility. Any academic dishonesty behaviors and any attempts to cheats and plagiarism will be reported to the university administration office. A written warning and the relevant penalties will be imposed. The record might be shown on the official university transcript.



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DISABILITY ACCOMMODATION

Soochow University is committed to maintaining a barrier-free environment so that students with disabilities can fully access programs, courses, services, and activities at Soochow University. Students with disabilities who require accommodations for access to and/or participation in this course are welcome.

Note:

Please contact the University Administrative Office immediately if you have a learning disability, a medical issue, or any other type of problem that prevents professors from seeing you have learned the course material.