ECU33022 — MONEY AND BANKING B

Module Information	
Module Code	ECU33022
Module Title	Money and Banking B
Department	Economics
Year Group	Junior Sophister
Module Personnel	Joseph Kopecky
Academic Year	2026-27
Credit Weighting	5 ECTS
Semester	Semester 2
Contact Hours	22 Hours of lecture and 6 hours of tutorial

Module Content	
Module Description	The module covers contemporary monetary economics and its application to the conduct of monetary policy. As well as reviewing the relevant academic literature, the module deals with the experience of the main central banks, with a particular focus on the European Central Bank and the United States Federal Reserve. The module first analyses the nature of money and the long-run relation between money and prices and economic activity. It then examines several key issues in regard to contemporary monetary policy, including monetary policy rules, the role of expectations and the transmission mechanism, and the importance central bank independence. For this purpose, the course presents the New Keynesian model, widely used for the purpose of analysing monetary policies. The course then looks at the monetary policy strategies of the major central banks as well as the operational frameworks by which they steer interest rates. Throughout the term we will simulate the decision-making process of central banks, in the context of relevant historical episodes to better understand the trade-offs and challenges faced by policy-makers.

Module Content	
Module Learning Aims	
Learning Outcomes	**Learning Outcomes** On successful completion of this module, you will be able to: • Understand the conduct of monetary policy. • Discuss the recent performance of financial markets and government intervention strategies in light of economic theory; • Examine the nature of money, definitions of the money supply and different approaches to determining how the money supply is created; • Explain monetary theory and its relevance to macroeconomic policy against the background of the main financial institutions and markets; • Discuss current issues in relation to the formulation and operation of monetary policy related to: implementation, objectives, and independence of central banks.
Indicative Reading / Resources	**Primary Reading:** • Cecchetti, Stephen G. and Schoenholtz, Kermit L. Money, Banking and Financial Markets 3rd ed. (McGraw-Hill, 2011) **Additional Readings:** Various academic papers that will be assigned throughout the module.

Assessment	
Assessment Components	40% Course work, 60% in-person final exam.
Assessment Details	Any additional information about assessment

Additional Information	
Prerequisites	ECU22011 & ECU22012 Intermediate Economics, ECU22031 & ECU22032 Mathematical and Statistical Methods

Additional Information	
Co-requisites	None
Any other information	