



Hunan University

ECON 31: Monetary Economics

Professor: To be announced

Total contact hours: 54 hours

Credit: 4

Course Description

This course examines the link between money and economics activity in more detail and the students will be guided to study various (traditional and more recent) views concerning the channel through which monetary policy can influence economic activity and take a look at the empirical evidence to date. In addition, students will study the role of institutions in explaining the behaviors of central banks and, thus economic activity. An emphasis on the current policy issues, and the current economic events and how they affect financial markets and monetary policy will also be discussed.

Course Objectives

By taking this course, students will:

- (1) Learn the fundamentals of the financial and monetary system;
- (2) Understand how economic news affects financial markets;
- (3) Understand how to think analytically, using economic theory to solve problems;
- (4) Study several topics in greater depth than provided by the textbook.

Required Textbook

Textbook: *Money and Banking: A Policy-Oriented Approach*

Author: Dean Croushore

Publisher: Houghton Mifflin College Div.

Supplemental Materials

The Wall Street Journal, Economist, Journal of Economic Perspectives

Grading

- Reports 30%
- Presentations 10%
- Midterm Exam 20%
- Final Exam 40%



A+ 96-100	A 90-95	A- 85-89
B+ 82-84	B 78-81	B- 75-77
C+ 71-74	C 66-70	C- 62-65
D 60-61	F < 60	

Course Schedule

The course has 24 class sessions in total. All sessions are 2 hours and 15 minutes in length.
Note: the course outline and required readings are subject to change.

Class 1:

Introduction: Explain the syllabus and course-related issues

Chapter 1: Introduction to Money and Banking

Class 2:

Chapter 2: Financial System and the Economy

Class 3:

Chapter 3: Money and Payments

Class 4:

Chapter 4: Present Value

Class 5:

Chapter 4: Present Value (Cont.)

Class 6:

Review the basic concepts and do the readings; Report 1

Class 7:

Chapter 5: Structure of Interest Rates

Class 8:

Chapter 6: Real Interest Rates

Class 9:

Chapter 6: Real Interest Rates (Cont.)

Class 10:

Review the basic concepts and do the readings; Discussion and Presentation

Class 11:

Chapter 7: Stocks and Other Assets



Class 12:

Chapter 8: How Banks Work

Class 13:

Chapter 8: How Banks Work

Class 14:

Review and midterm exam in class

Class 15:

Chapter 9: Government's Role in Banking

Class 16:

Chapter 10: Economic Growth and Business Cycles

Class 17:

Chapter 11: Modeling Money

Class 18:

Chapter 12: Aggregate-Demand / Aggregate-Supply Model

Class 19:

Review and the basic concepts and do the readings; Report 2

Class 20:

Chapter 13: Modern Macroeconomic Model

Class 21:

Chapter 13: Modern Macroeconomic Model (Cont.)

Class 22:

Chapter 14: Economic Interdependence

Class 23:

Review the basic concepts and do the readings; Discussion and Presentation

Class 24:

Final Exam

Attending Policy

Regular and prompt attendance is required. Under ordinary circumstances, you may miss two times without penalty. Each absence over this number will lower your course grade by a third



of a letter and missing more than five classes may lead to a failing grade in the course. Arriving late and/or leaving before the end of the class period are equivalent to absences.

Policy on “Late Withdrawals”

In accordance with university policy, appeals for late withdrawal will be approved ONLY in case of medical emergency and similar crises.

Academic Honesty

Hunan University expects all students to do their own work. Instructors will fail assignments that show evidence of plagiarism or other forms of cheating, and will also report the student's name to the University administration. A student reported to the University for cheating is placed on disciplinary probation; a student reported twice is suspended or expelled.

General Expectations:

Students are expected to:

- Attend all classes and be responsible for all materials covered in class and otherwise assigned;
- Complete the day's required reading and assignments before class;
- Review the previous day's notes before class and make notes about questions you have about the previous class or the day's reading;
- Participate in class discussions and complete required written work on time;
- Refrain from texting, phoning or engaging in computer activities unrelated to class during the class period;
- While class participation is welcome, even required, you are expected to refrain from private conversations during the class period.

Special Needs or Assistance

Please contact the 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. Our goal is to help you learn, not to penalize you for issues which mask your learning.