



University of Victoria

Course Syllabus

Department of Economics
ECONOMICS 305: A01 (CRN: 31152)
Money and Banking
Summer 2022, Term 2 (May-June 2022)

Instructor Name: Omar Saleh

Delivery mode: Face-to-face

Lectures A01: Tuesday, Wednesday, Thursday, 8:30am–10:20am

Location A01: Cornett (COR: A221)

Office Hours (BEC 318): Wednesdays: 11:00 am–12:00pm

Course Description

This course is an introduction to monetary and financial economics with special reference to the Canadian economy. The aim is further your understanding of the role of financial assets and institutions and how they affect the economy.

This is a challenging course! -- It covers micro money and banking and macro modelling and policy. This involves learning different types of models and theories as well as lots of institutional facts. If you work hard in this course you will be rewarded with a foundation for understanding key connections between the study of monetary theory and policy (ECON 104, 204, 306, 406), corporate finance (COM 240, ECON 454), industrial organization (ECON 310A), and asset pricing (ECON 435).

Texts/Materials

Required Textbook: Mishkin, F.S. and A. Serletis, The Economics of Money, Banking, and Financial Markets, 7th Canadian edition, Pearson Education Canada Inc., Toronto, 2019.

The text is available in the UVic Bookstore and comes wrapped with MyLab. We will use MyLab so you'll need to access it if you buy the text separately; it should be available from the UVic bookstore.

Acknowledgement

We acknowledge and respect the lək'wəŋən peoples on whose traditional territory the university stands, and the Songhees, Esquimalt and WSÁNEĆ peoples whose historical relationships with the land continue to this day.

Syllabus

The following outline of topics and readings is tentative. Any updated topics and readings will be posted on Brightspace. Chapter references refer to our textbook.

Part 1 Course Overview & the Concept of Money

1. Why Study Money, Banking and Financial Markets (Ch.1)
2. *Evolution of Money (required) & History of the Canadian Dollar* (Brightspace “handout”; for your information)
3. What is Money? (Ch.3)

Part 2 Financial Markets

1. Financial Markets Overview (Ch.2, pp. 22-34 & exercises)
2. Review: Why Study Financial Markets (Ch.1, pp 2-4)
3. Understanding Interest Rates (Ch.4)
4. The Behaviour of Interest Rates (Ch.5)
5. The Risk and Term Structure of Interest Rates (Ch. 6)
6. The Stock Markets, the Theory of Rational Expectations, and the Efficient Market Hypothesis (Ch.7)

Parts 3 & 4 Financial Institutions & Financial Crisis

1. Financial Institutions Overview (Ch.2, pp. 34-45 & exercises)
2. An Economic Analysis of Financial Structure (Ch.8)
3. Financial Crisis (Ch.11)
4. Banking and the Management of Financial Institutions (Ch. 12)

Part 5 Central Banking and the Conduct of Monetary Policy

1. The Money Supply Process (Ch. 15)
2. Tools of Monetary Policy (Ch. 16)

Part 6 The Final Part of Econ 305

1. A Taste of Part 6 “Monetary Theory”
 - Review: Appendix to Chapter 1
 - Quantity Theory, Inflation, and the Demand for Money (Ch.20)

Grading

Your final grade will be determined as follows:

MyLab	15%
Midterm Exam:	35% or 50% (Friday, June 3 rd during class time)
Final Exam:	35% or 50% (Friday, June 24 th during class time)

Course letter grade - numerical score (%) equivalencies used at UVic are as follows:

A+	A	A-	B+	B	B-	C+	C	D	F or N
90-100	85-89	80-84	77-79	73-76	70-72	65-69	60-64	50-59	0-49

MyLab Quizzes: The MyLab chapter quizzes offer ongoing review. The first set of MyLab (ML) chapter quizzes is **due on Wednesday, May 18 by 9:00 pm**. Subsequent chapter quizzes are usually due on **Wednesdays at 9:00 pm**. **I will not remind you on the due date of the quizzes**. If you miss any quiz you will receive a zero on that quiz with no exceptions. You are responsible for tracking and identifying any problems with your completing the assignments on time. It is easy to do well on ML quizzes. Warning – quickly reviewing the ML quizzes is not sufficient to do well on the exam multiple-choice questions! All exams are essential course requirements, meaning, they must be attempted in order to pass the course.

Exams: The midterm exam is tentatively scheduled on Friday, June 3rd. The final exam is scheduled on Friday, June 24th. They are not cumulative, namely the final exam will only cover the material presented after the midterm. **More specific details will be given in due time**. If you miss a midterm test due to illness or family affliction, please contact me by email. Should you miss an exam without approval of the instructor, you will receive a grade of zero for that exam. **Note: whenever needed**, it is the student's responsibility to provide medical and other documentation in a timely manner. Regarding grading the exams, 50% will be assigned for the best score and 35% for the lowest score.

Final exam: As per university policy, deferred final exams will be given only on the basis of documented family illness or family afflictions.

Grade concerns should be brought to the instructor as soon as possible. The grades of each assessment component are final after one week of being distributed.

Brightspace

- Brightspace is used extensively for the course. All students are expected to be fully functional with this system.
- All course materials will be posted on Brightspace.
- All announcements will be posted on Brightspace. Students are advised to check it frequently.
- For support with technical issues, please get in touch with the Computer Help Desk: helpdesk@uvic.ca

E-mail: osaleh [@] uvic.ca

- You should contact me by email primarily on matters that relate to your personal participation, e.g. you have a medical condition that prevents you from taking an exam. General administrative matters, such as the arrangement and the format for the assignments or exams, will not be addressed via e-mail.
- E-mail is a terribly inefficient way of communicating regarding course material. Any clarifying questions about the syllabus and/or course content have to be asked in class or during office hours. E-mails to me should be limited to missed assessment and personal concerns.
- If you contact me at my UVic e-mail address, please include your legal name (the name in the university records), student number and course title in the subject of your e-mail. Without such information, it is sometimes hard for the instructor to understand the nature

of your queries. Please avoid inappropriate nicknames, e-mail id's and signatures. Text message lingo should not be used.

Copyright

All course content and materials are made available by instructors for educational purposes and for the exclusive use of students registered in their class. The material is protected under copyright law, even if not marked with a ©. **Any further use or distribution of materials to others requires the written permission of the instructor**, except under fair dealing or another exception in the Copyright Act. Violations may result in disciplinary action under the Resolution of Non-Academic Misconduct Allegations policy (AC1300).

Course Experience Survey (CES)

I value your feedback on this course. Towards the end of term you will have the opportunity to complete a confidential course experience survey (CES) regarding your learning experience. The survey is vital to providing feedback to me regarding the course and my teaching, as well as to help the department improve the overall program for students in the future. When it is time for you to complete the survey, you will receive an email inviting you to do so. If you do not receive an email invitation, you can go directly to <http://ces.uvic.ca>. You will need to use your UVic NetLink ID to access the survey, which can be done on your laptop, tablet or mobile device. I will remind you nearer the time, but please be thinking about this important activity, especially the following three questions, during the course.

1. What strengths did your instructor demonstrate that helped you learn in this course?
2. Please provide specific suggestions as to how the instructor could have helped you learn more effectively.
3. Please provide specific suggestions as to how this course could be improved.

Course Policies

This course adheres to the [Undergraduate Course Policies](#) of the Department of Economics that deal with the following issues:

- Academic concessions
- Academic integrity (plagiarism and cheating)
- Attendance
- Grading
- Inclusivity and diversity
- Late adds
- Late assignments
- Repeating courses
- Review of an assigned grade
- Students with a disability
- Term assignments and debarment from examinations
- Travel plans
- Waitlists

The following policies are explicitly included because of their importance.

Examinations

Attendance at all scheduled examinations is mandatory. Consideration for missed examinations will be given only on the basis of documented illness, accident or family affliction, and for no other reasons. In the event of a missed final examination, students are advised to follow the procedures outlined in the University Calendar.

Students are advised not to make travel plans until after the examination timetable is finalized. Students who wish to book their trips early should book flights that depart after the end of the examination period. There will be no special accommodation if travel plans conflict with the examination.

University Policy on Human Rights, Equity and Fairness

The University is committed to promoting, providing and protecting a positive, supportive and safe learning and working environment for all its members.

Waitlist Policies

- Instructors have no discretion to admit waitlisted students or raise the cap on the course.
- Students on the waitlist should discuss with the instructor how to ensure they are not behind with coursework in the event they are admitted.
- Registered students who do not show up in the first seven calendar days from the start of the course may be dropped from the course.
- Registered students who decide not to take the course are responsible for dropping the course, and are urged to do so promptly out of courtesy toward waitlisted students.
- Waitlist offers cease after the last date for adding courses irrespective of published waitlists.

Classroom Etiquette

Behave politely and professionally. Do not create negative externalities. Do not disturb or distract your fellow students or the instructor.

Academic Integrity

Academic integrity requires commitment to the values of honesty, trust, fairness, respect, and responsibility. Students are expected to observe the same standards of scholarly integrity as their academic and professional counterparts. A student who is found to have engaged in unethical academic behaviour, including the practices described in the [Policy on Academic Integrity](#) in the University Calendar, is subject to penalty by the University.

Review [What is Plagiarism](#) for the definition of plagiarism. No form of plagiarism will be tolerated in this course. *Note:* Submitted work may be checked using plagiarism detection software.

Review the **Student Code of Conduct**

<https://www.uvic.ca/services/advising/advice-support/academic-units/student-code-of-conduct/index.php>

Educational Technology involving storage outside Canada

In the case we use Zoom platform and to the best of my knowledge, Zoom might store some personal information outside of Canada. If you are not comfortable with your personal information being stored outside of Canada, please speak to me within the first week of class about using an alternative (such as using an alias or nickname). Otherwise, by continuing in this course, you agree to the use of the educational technology in the course and the storage of personal information outside of Canada.

Repeating Courses

In order to request permission to attempt a course for the third time, you must follow the instructions provided under the [Repeating Courses](#) policy on the Economics website.

Failure to obtain permission will result in deregistration from the course.

Accessibility & Health Resources

Centre for Accessible Learning

Students with diverse learning styles and needs are welcome in this course. In particular, if you have a disability/health consideration that may require accommodations, you are free to approach me. However, you must register with the [Centre for Accessible Learning](#) (CAL) for formal arrangements to be made. The CAL staff are available by appointment to assess specific needs, provide referrals and arrange appropriate accommodations. The sooner you let us know your needs the quicker we can assist you in achieving your learning goals in this course.

[Health Services](#) - University Health Services (UHS) provides a full service primary health clinic for students, and coordinates healthy student and campus initiatives.

[Counselling Services](#) - Counselling Services can help you make the most of your university experience. They offer free professional, confidential, inclusive support to currently registered UVic students.

[Elders' Voices](#) - The Office of Indigenous Academic and Community Engagement (IACE) has the privilege of assembling a group of Elders from local communities to guide students, staff, faculty and administration in Indigenous ways of knowing and being.

Sexualized Violence Prevention & Response

UVic takes sexualized violence seriously, and has raised the bar for what is considered acceptable behaviour. Students are encouraged to learn more about how the university defines sexualized violence and its overall approach by visiting www.uvic.ca/svp. If you or someone you know has been impacted by sexualized violence and needs information, advice, and/or support please contact the sexualized violence resource office in Equity and Human Rights (EQHR). Contact svpcoordinator@uvic.ca.