



Department of Economics

ECON305-A02 Winter 2023
Money and Banking
Instructor: Eric Chi

Lecture times: Tuesdays, Wednesdays and Fridays from 1:30-2:20pm. The course has in-person and remote component. Tuesdays and Wednesdays lectures will be in-person and attendance is expected. Fridays' lecture will be delivered in video format. **We do not meet in-person on Fridays.** When the video is made available, it will be announced via Brightspace. For in-person classes, I strongly encourage you to attend. In the past, students who come to classes typically perform roughly 20% higher than students who skip classes. I typically post incomplete notes, and during the lectures, we will fill in missing details. If you must miss a lecture, it will be your responsibility to get the notes from classmates. Under **NO CIRCUMSTANCES** will I be emailing or posting completed notes.

Location: Cornett Building, Room B135.

E-mail: conglinchi@uvic.ca. You must include **ECON305** in the subject line and your student number at the end of every email. It helps me find correspondence with you efficiently. If I can answer your email briefly, I will try to respond within 3 business days. Students typically will not get response if the answers to their questions are already in the Course Outline or announcements on Brightspace. Questions in any email should not require more than two sentences to answer. For any questions that involve more than two sentences to answer, or requires equations or graphs, should be discussed in person during office hours.

Office Hours: Tuesdays from 9:30am-11:30am in BEC 326.

Overview of Syllabus

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Course Website:

Accessible through [Brightspace](#). It is your responsibility to monitor Brightspace regularly. Important course documents, notes, announcements, among many other items will be published there. Students are advised to check it frequently.

Course Overview:

This course is an introduction to banking and finance with attention to the fascinating topic of central banking as well. Broadly speaking the aim is to further your understanding of the roles of financial assets, institutions, and markets and how they affect people, companies and the economy as a whole. We will pay special attention to Canadian institutions. This is a challenging course! It covers money, banking, and financial markets. This involves learning different types of models and theories, as well as institutional facts. Working hard in this course will build a foundation for understanding key connections between several topics: monetary theory and policy (ECON 104, 204, 406), corporate finance (COM 240, ECON 454), industrial organization (Econ 310A), and asset pricing (ECON 435).

Required Textbooks, materials and online platform:

- **The Economics of Money, Banking, and Financial Markets, 8th Canadian edition, by Mishkin, F.S. and A. Serletis.** We will be following the topics from this textbook. If you prefer the etext, click [here](#). You should buy the textbook from the bookstore as well. The textbook is a good resource to complete the readings before coming to classes and have a more detailed explanation of course materials.
- **Crowdmark** will be a critical platform for the course. You will be completing quiz assessments, uploading writing assignments and Research project through Crowdmark. A link will be emailed to you for accessing all the evaluations, and the same link will also be published on Brightspace.
- You will need to have a scientific calculator, which is approved by the university: SHARP EL-510. The calculator can be purchased through the link [here](#).

Grading:

The final grade is determined from the following evaluations: 1. Ongoing quizzes (10%) and ongoing writing assignments (10%) distributed throughout the term, with their due dates indicated in the course schedule at the end of the syllabus 2. Midterm (20%) 3. Research project (25%), 4. Final exam (35%)

Evaluations:

- **Ongoing Quizzes (10%):** There will be roughly 4 quizzes distributed throughout the term. The format of quizzes are multiple choice. This is to test your understanding of subject materials. A good way to prepare is to complete the required readings and understand the lectures. All quizzes are administered through Crowdmark. The best 3 out of 4 quizzes will count. This is to say that if you miss one quiz due to any reasons (i.e. work conflict, family matters, sickness, etc), you do not need to let me know or send any documentation. If you miss one quiz, there will be no penalty. If you complete all 4 quizzes, the lowest grade for all the quizzes will be dropped. The quizzes will be available on Thursday nights at 9pm, and must be completed by Friday nights at 9pm. There is a 24-hour window which will allow you to complete the quiz. Once started, you will have 30 minutes to finish. Make sure you can allocate 30 minutes without disruption in one sitting.
- **Ongoing Writing Assignments (10%):** There will be roughly 4 writing assignments distributed throughout the term. The format of writing assignments are short response answers. This is to provide opportunities for writing in the context of money and banking, critically analyze economic theory and making connections to real world problems. All writing assignments are administered through Crowdmark. The best 3 out of 4 writing assignments will count. This is to say that if you miss one due to any reasons (i.e. work conflict, family matters, sickness, etc), you do not need to let me know or send any documentation. There will be no penalty. If you complete all 4 writing assignments, the lowest grade for all the assignments will be dropped.
- **Midterm (20%):** This will be written in-class. The duration is 45 minutes. It consists of a combination of multiple choice and short answer questions. More on this will be elaborated. If you miss the

midterm for legitimate reasons, the weight of the midterm will be shifted to the final exam. Generally, the midterm grades are known to be higher than final exams, due to the cumulative nature of the final. Therefore, it is strongly discouraged to miss the midterm exam.

- **Research project (25%):** The project will ask you to research on a particular topic. This is individual work. The theme will be communicated to you closer to the date. You will have to choose your topic, communicate your argument to the relevant general public using insights from topics covered in Money and Banking. Some tasks may involve analyzing the situation as an economist, from the point of view of government imposing optimal monetary policy. More details will be made available on Brightspace. The research project is submitted to Crowdmark, and your submissions must be in PDF format.
- **Final Exam (35%):** The final exam will be held during the April exam period. It is projected that the final exam is an in-person exam on Victoria campus. The final exam is cumulative, but 70% of contents will be based on post midterm. You do NOT need to pass the exam to pass the course, and you do NOT need to even attend the exam to pass the course. More information will be provided closer to the date.

Grading Scale:

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

From the [UVic Undergraduate Grading Scale](#)

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
- Sexualized violence prevention and response
- Students with a disability
- Term assignments and debarment from examinations
- Travel plans
- Waitlists

The following policies are explicitly included because of their importance.

Examinations: Participation for all scheduled examinations is critical. However, it is not mandatory to write the exam to pass the course. If you choose to miss the exam, you will receive 0, and your final mark will be calculated based on the exam grade of 0 among other items. **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 work or travel plans until after the examination timetable has been finalized. Students who wish to finalize their travel plans at an earlier date 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.

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 participate as specified in this outline during the first 7 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.

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. Note: Submitted work may be checked using plagiarism detection software.

Student Code of Conduct:

The Humanities, Science, and Social Sciences Faculties have adopted this [Student code of conduct](#). Please, review.

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. See [General University Policies](#).

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.

[Support Connect](#) - a 24/7 mental health support service for students.

- Toll-free (calls from North America): 1-844-773-1427
- International collect calls: 1-250-999-7621

[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.

[Elder's 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.

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 the [CES log-in](#). You will use your UVic NetLink ID to access the survey, which can be completed 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.

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

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 [here](#). 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

UVic Land Acknowledgement:

We acknowledge and respect the Lekwungen peoples on whose traditional territory the University of Victoria stands, and the Songhees, Esquimalt and WSÁNEĆ peoples whose historical relationships with the land continue to this day.

Topics:

The dates and topics listed in the table below are tentative.

Week	Important Dates	Topic(s)	Assessments
1	Tuesday, January 10 Wednesday, January 11 Friday, January 13 (Online)	Introduction Ch 1: Why study ,money, banking, and financial markets Ch 2: An Overview of the Financial System	
2	Tuesday, January 17 Wednesday, January 18 Friday, January 20 (Online)	Ch 3: What is Money?	
3	Tuesday, January 24 Wednesday, January 25 Friday, January 27 (Online)	Ch 4: The Meaning of Interest rates	
	Friday, January 27	Week 1 and 2 topics	Quiz 1 due at 9pm
4	Tuesday, January 31 Wednesday, February 1 Friday, February 3 (Online)	Ch 5: The Behaviour of Interest rates	
	Friday, February 3	Week 3 topics	Assignment 1 due at 9pm
5	Tuesday, February 7 Wednesday, February 8 Friday, February 10 (Online)	Ch 7: The stock market, the theory of rational expectations, and the efficient market hypothesis	
	Friday, February 10	Week 4 topics	Quiz 2 due at 9pm
6	Tuesday, February 14 Wednesday, February 15 Friday, February 17 (Online)	Ch 8: Financial structures analysis Week 1 to 6 topics	Midterm
7	Tuesday, February 28 Wednesday, March 1 Friday, March 3 (Online)	Ch 9: An Economic analysis of financial regulation	
	Friday, March 3	Week 5 and 6 topics	Assignment 2 due at 9pm
8	Tuesday, March 7 Wednesday, March 8 Friday, March 10 (Online)	Ch 11: Financial Crises	
	Friday, March 10	Week 7 topics	Quiz 3 due at 9pm
9	Tuesday, March 14 Wednesday, March 15 Friday, March 17 (Online)	Ch 12: Banking and the management of financial institutions	
	Friday, March 17	Week 8 topics	Assignment 3 due at 9pm
10	Tuesday, March 21 Wednesday, March 22 Friday, March 24 (Online)	Ch 14: Central Banks and the Bank of Canada Ch 15: The Money Supply Process	
	Friday, March 24	Week 9 topics	Quiz 4 due at 9pm
11	Tuesday, March 28 Wednesday, March 29 Friday, March 31 (Online)	Ch 15: The Money Supply process Ch 16: Tools of Monetary Policy	
	Friday, March 31	Students' Choice	Research Project due at 9pm
12	Tuesday, April 4 Wednesday, April 5	Ch 16: Tools of Monetary Policy	
	Friday, April 7	Week 11 topics	Assignment 4 due