

Faculty of Science Course Syllabus
Department of Economics

ECON 2326
Money and Banking
Summer 2022-2023

Instructor(s): *Jean-Philippe Bourgeois* *dal.bourgeois@gmail.com* *Econ A13*

Lectures: *TR 13h35-15h55* *LSC 332*

Office Hours: *T/R12-13h35, or appointment*

Teacher Assistant: *Boatema Afriya: bt480888@dal.ca*

Course Description

The course concerns the nature and operation of the financial system with particular reference to the Canadian experience. It investigates financial instruments (including money) and institutions and the social control of the supply of money and credit.

Course Prerequisites

ECON1101, ECON1102 with minimum grades of C.

Course Objectives/Learning Outcomes

At the end of the course, you should have the following outcomes:

- Have developed an understanding of the fundamental concepts of money and banking
- Have developed analytical skills to understand and discuss the basic tools and principles of money and banking, financial institutions, and monetary policy within the Canadian framework.
- Obtain an appreciation of the historical evolution of the Canadian Banking experience.
- Have understood differences in banking systems and their regulation in other countries and how monetary policy objectives may differ.
- Understood the potential transmission mechanisms between financial market developments and consequences for “real” economic performance.

Course Materials

Textbook: “The Economics of Money, Banking and Financial Markets” by Frederic S. Mishkin and Apostolos Serletis, Pearson Canada Limited, 6th Canadian Edition, Toronto

Additional readings – Numerous additional reading material has been linked to the brightspace page.

Onenote page (find link on Brightspace)

Course Assessment

Presentations are group presentation (if student enrolment requires it). Groups will be asked to study particular topics Presentations will be given for the students to build knowledge and lead them to discovery on the topic in an organic fashion. Presentations are of equal weight. You will be given 2 weeks for each presentation once it has been handed out. **Special attention to format must be followed.**

Final exam will be given on June 22, in -class. Mix of Techniques, definition, and comprehension-based questions.

Essay

Component	Weight (% of final grade)	Date
<i>Presentations (2/2)</i>	<i>50% (25% each)</i>	<i>see outline*</i>
<i>Final exam (cumulative)</i>	<i>50%</i>	<i>June 22 in-class</i>

**tentative dates, could change by 1 week*

Other course requirements

To pass the course, a student must earn an overall mark of at least 50% and must earn a mark of 50% or more on the final exam.

Conversion of numerical grades to Final Letter Grades follows the Dalhousie Common Grade Scale

A+ (90-100)	B+ (77-79)	C+ (65-69)	D	(50-54)
A (85-89)	B (73-76)	C (60-64)	F	(<50)
A- (80-84)	B- (70-72)	C- (55-59)		

Course Policies

- **Presentations are mandatory**
- **Presentations are done in groups**
- No shows to presentation will loose 50% of their points and still required to present.
- **There are no makeup final.**

Course Content

Date	Topic	Readings	Assignments
9 may	Why study money and banking <ul style="list-style-type: none"> - Financial institutions - Banks - Monetary policy International financial systems What is money? <ul style="list-style-type: none"> - Functions - Types - measurement 	Ch. 1,3	
11 may	Medium of Exchange (the Canadian Experience) <ul style="list-style-type: none"> - barter - historical narrative and type of money used pre-banking Banking before central banks <ul style="list-style-type: none"> - Discuss how banking started - Role of banks and what they could do - How T accounting worked (no central bank) - Gold standard - tokens 	MBC: p1-44, History of Canadian Dollar p.1-15 MBC: p45-100, History of Canadian Dollar p.16-45.	
16 may	Government enters Banking <ul style="list-style-type: none"> - clearing houses for cheques* - How government began issuing notes, all the way up to dominion notes. - T accounting between two banks (and gov) - seigniorages 	MBC: p100-200, History of Canadian Dollar p.16-45. E-money p .15-20 Ch.11	
18 may	Bank Failures, the War and the Gold standard <ul style="list-style-type: none"> - failures and crisis - more regulations - discussion on reserve requirements (US vs. Canada) - money supply - War and the Gold Standard Exchange rate implications	Ch. 11 History of Canadian dollar p.16-45	Review of presentation 1 drafts
23 may	Central Bank and introduction of Bank of Canada notes <ul style="list-style-type: none"> - Lender of last resort - Central bank 	Ch. 14, 15 MBC: p200-258,	

	<ul style="list-style-type: none"> - T accounts - Basic transactions between Chartered and the Central Bank. <p>Elimination of Chartered banks notes.</p>	History of Canadian dollar p.40-50	
25 may	Presentation 1 – Canadian Banking History		
30 may	<p>International Banking System between 1930 – 1972</p> <ul style="list-style-type: none"> - Role of Gold in international banking - Exchange rate - Impact of wars - Bretton Wood agreement - IMF World Bank - 	<p>Slides, MBC p.258-360</p> <p>History of the Canadian Dollar p.50-end</p>	
1 june	<p>Central Banks</p> <ul style="list-style-type: none"> - Bank of Canada - Federal Reserve - European Central Bank 	Ch 14 + notes	
6 june	<p>Interest rates</p> <p>Bank of Canada monetary policy</p> <ul style="list-style-type: none"> - How policy is conducted 	Ch 15 and 16	
8 june	<p>Policy transmission</p> <p>Exchange rates markets</p>	Ch. 18	Review of presentation 2 drafts
13 june	<p>Shadow Banking</p> <p>Crypto currencies</p>	onenote	
15 june	Presentation 2 - Canadian Banking regulations and organizations		
20 june	review		
22 june	Final	cummulative	