

Money, Banking, and the Economy

Department: Fudan International Summer Session 2025

Course Code	TBA						
Course Title	Money, Banking, and the Economy						
Credit	2	Experiment (including Computer) Credit		Practice Credit		Aesthetic Education Credit	
Credit Hours Per Week	9	Education on The Hard-Working Spirit Credit Hours		Language of Instruction	EN	Honors Course	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Course Type	<input type="checkbox"/> Core General Education Course <input type="checkbox"/> Specific General Education Course <input type="checkbox"/> Basic Course in General Discipline <input checked="" type="checkbox"/> Others			2+X Major :			
				<input type="checkbox"/> Professional Core Course <input type="checkbox"/> Professional Advanced Course Non 2+X Major : <input type="checkbox"/> Professional Compulsory Course <input type="checkbox"/> Professional Elective Course			
Course Objectives	After successful completion of the course, students: <ul style="list-style-type: none"> ▪ can define and describe the main theoretical concepts of the economics of banking and the workings of the financial system. ▪ can explain the theory behind and the practice of monetary policy by central banks. ▪ can understand the theoretical models that link financial system and monetary policy to the economy; ▪ can understand the main transmission channels of monetary policy; ▪ can discuss explanations for the global financial crisis and recent (bank) runs. 						
Course Description	The course offers a thorough introduction to the theory and practice of banking as well as monetary economics and monetary policy. The main topics are: <ul style="list-style-type: none"> ▪ the concept of real and nominal rates, bonds and returns; ▪ the theoretical determinants of interest rates; ▪ main theories on the risk and term structure of interest rates; ▪ theoretical models on the money supply process and the structure, objectives and policies of central banks; ▪ theoretical models on money and the economy ▪ theoretical insights into the causes of financial crises. 						
Course Requirements:							
Prerequisites: Principles of Economics							

Teaching Methods:

Lectures and tutorials

Course Director's Academic Background:

Dr. David Peng, PhD in Economics, University of Groningen, The Netherlands

Email: y.peng@rug.nl

Instructor's Academic Background:**Members of Teaching Team**

Name	Gender	Professional Title	Department	Responsibility

Course Schedule (Please supply the details about each lesson):

Day 1. Introduction to Money and Banking (Chapter 1-3)

Day 2. Money Supply and Money Demand (Chapter 13-14, 19)

Day 3. Interest Rates Determination (Chapter 4-5)

Day 4. Risk and Term Structure of Interest Rates and the Stock Market (Chapter 6-7)

Day 5. Economics of Banking and the Financial Crises (Chapter 8-9, 12)

Day 6. Tutorial: Homework I

Day 7. Monetary Policy I (Chapter 15-16)

Day 8. The IS-LM Model (Chapter 20-21)

Day 9. The AD-AS Model (Chapter 21-22)

Day 10. Monetary Policy II (Chapter 23-25)

Day 11. Tutorial: Homework II

Day 12. Final exam

The design of class discussion or exercise, practice, experience and so on:

This course is mainly taught in lectures. The lectures provide the structure of the topic, discussion of the theory, and some practical examples. There will be two tutorials to discuss homework exercises.

If you need a TA, please indicate the assignment of assistant:

Grading & Evaluation (Provide a final grade that reflects the formative evaluation process):

1. Attendance: 10%

Students are required to attend the lectures. Attendance is checked every time by the teaching assistant.

2. Tutorial performance: 30% (15% for each)

Students are required to complete two homework sets and actively participate in the tutorials.

3. Final Exam: 60%

A 2-hour-closed-book exam covers material discussed in lectures and tutorials. Students must achieve at least a weighted average mark of 60 to pass.

Usage of Textbook: Yes (complete textbook information form below) No

Textbook Information (No more than two textbooks) :

Title	Author	ISBN	Publishing Time	Publisher	Type I	Type II
					<input type="checkbox"/> Self-compiled Textbook (Published) <input type="checkbox"/> Non-mainland Textbook <input type="checkbox"/> Other Textbook (Published)	<input type="checkbox"/> National Planning Textbook <input type="checkbox"/> Provincial and Ministerial Planning Textbook <input type="checkbox"/> School Level Planning Textbook <input type="checkbox"/> Others
					<input type="checkbox"/> Self-compiled Textbook (Published) <input type="checkbox"/> Non-mainland Textbook <input type="checkbox"/> Other Textbook (Published)	<input type="checkbox"/> National Planning Textbook <input type="checkbox"/> Provincial and Ministerial Planning Textbook <input type="checkbox"/> School Level Planning Textbook <input type="checkbox"/> Others

Teaching References (Including author, title, publisher, publishing time, ISBN):

Mishkin, F. S. (2022). The Economics of Money, Banking & Financial Markets. Pearson, 13th edition, ISBN 9781292409481 (e-book: ISBN 9781292409566).

Table column size can be adjusted according to the content.