

**CBN COLLABORATIVE POSTGRADUATE PROGRAMME
DEPARTMENT OF ECONOMICS, AHMADU BELLO UNIVERSITY
MONETARY THEORY AND POLICY I
MODULE SPECIFICATION**

1. Module Title: Monetary Theory and Policy I

2. Module Code: ECO 523

3. Number of credits: 3

4. Level: MSc.

5. Semester: 1st

6. Pre-requisites for admission to the module (if any)

The pre-requisite is that the student has a satisfactory knowledge of intermediate macroeconomics and quantitative techniques.

7. Module Coordinator

8. Aims

Upon completion of the course, students are expected to:

1. acquire sufficient knowledge of monetary theory and policy.
2. be sufficiently exposed to the various of policy and empirical topics with special reference to developing countries, in particular African economies.
3. prepares the student for policy analysis and advanced research in the area of monetary policy

9. Summary of Content

The purpose of this course is to enable the student to acquire sufficient knowledge of monetary theory and policy. The course content is designed to ensure that the state of the art of monetary theory is given sufficient exposition, while at the same time introducing students to sufficient doses of policy and empirical topics with special reference to developing countries. The course adequately prepares the student for policy analysis and advanced research in the area of monetary theory and policy. The topics covered include Introduction: Issues in Monetary Economics; the Demand for Money; the Supply of Money; Money, Prices and Employment; Central Banking and Monetary Policy.

10. Module Intended Learning Outcomes (MILOs)

Upon successful completion of this module, students will be able to:

No.	Milos	Weighting (%)
1	Discuss the key issues in Monetary Economics.	
2	Discuss the theories of Demand for Money	
3	Understand the concept of Money Supply and the role of Money in the economy	

4	Understand the relationships between money supply process and employment in the economy	Refer to no. 15
5	Explain the various theoretical and empirically regular relationships between money, prices and output	
6	Acquire knowledge and understanding of the transmission mechanisms of monetary policy	
7	Explain the key issues in modern central banking and monetary policy design	

11. Teaching and Learning Activities (TLAs)

MILO No.	TLAs	Functions	Hours/Week
1,2,3,4,5,6,7	Lectures and materials	Course instructors will introduce, with appropriate audio-visual materials, the critical concepts and theories through lectures.	3 hours
1,2,3,4,5,6,7	Tutorials (Group Discussions, Quizzes, Presentations, peer review)	Tutorial sessions will introduce additional learning support with activities such as case studies, group discussion, presentations, peer review, quizzes. Emphasis is placed on in-depth learning of the theories, their relevance and applications to developing economies.	1 hour

12. Assessments Tasks/Activities

MILO No.	Type of assessment tasks/activities	Weighting (if applicable)	Remarks
1,2,3,4,5,6,7	Examination Students are required to participate in a three-hour examination to test their acquisitions of concepts, theories and knowledge.	60%	
1,2,3,4,5,6,7	Written Test/Quizzes 1-hour written test/Pop Quizzes	20%	Week 7/On Going basis
1,2,3,4,5,6,7	Coursework Paper Students will hand in a coursework research paper on any of the six topics as their individual assignment.	20%	Students must hand in their coursework paper in Week10

13. Attendance Requirements

Students are required to attend all lectures, tutorials and laboratory sessions (if any).
Students must have at least 75% attendance to qualify for the examination.

14. Contribution to Programme Learning Outcomes

SN	PIOs	MILO No
1	develop in the students a thorough knowledge and applied competence in the fundamentals of Economics.	1, 2, 3, 4, 5,6,7
2	develop in the students an ability to critically appraise alternative systems of Economics.	1, 2, 3, 4, 5,7
3	expose the students to policy debates regarding Economics standards and systems including new economic analysis software.	4, 5, 6,7
4	equip students with economic theories that will lead to expertise in Economics	1, 2, 3, 4, 5,7
5	provide training to qualified graduates of economics and to other individuals whose prior training or experience has made them capable of playing a leadership role in the economics profession	1, 2, 3, 4, 5,7
6	equip students with the ability to analyse and undertake courses of action to improve organisational performance using financial, operational and strategic perspectives and frameworks learned in the coursework and experience	2, 3, 4, 5,7
7	prepare students for managerial positions in the industries, as well as other related organisations	1, 2, 3, 4, 5, 7
8	prepare participants for positions as consultants, advocates, analysts, or directly as policy makers in the public and private sector	1, 2, 3, 4, 5, 6, 7
9	Inculcate the requisite intellectual/conceptual foundations that will permit meaningful participation in the discussion or resolution of the problems which confront the Economics discipline in the contemporary world	1, 2, 3, 4, 5, 7
10	encourage research into problems which impede the maximum contribution of Economics to national development and well-being of the people	1, 2, 3, 4, 5,7
11	develop skill in logical reasoning and critical analysis	2, 3, 5, 6,7

	and improve the capacity students in formulating sound economic policies and strategies	
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15. Grading of Student Achievement

Letter Grade	% Mark	Grade Definitions	Remarks
A	70 and above	Excellent	Demonstrates excellent understanding of the subject matters.
B	60-69	Good	Demonstrates a good understanding of the subject matters, though missing some of the points.
C	50-59	Adequate	Demonstrates an adequate understanding of the core of the subject matters and can only recall limited content
F	<50%	Fail	Demonstrates a wrong understanding of the subject matter.

16. Resources

Suggested primary texts

SN	Name of Author(s)	Year of Publication	Title of Book	Edition	Publisher's Name	ISBN
1	Jagdish Handa	2009	Monetary Economics	2 nd Edition	Routledge - Taylor & Francis.	0203892402
2	Mervyn, K.L., & Mizen, P.D.	2000	Monetary Economics	1 st Edition	Oxford University Press.	9780198290629
3	Carl E. Walsh	2010	Monetary Theory and Policy	3 rd Edition	MIT Press	9780262013772

Suggested secondary texts

SN	Name of Author(s)	Year of Publication	Title of Book	Edition	Publisher's Name	ISBN
1	Jordi Galí	2008	Monetary Policy, Inflation, and the Business Cycle An Introduction to the New Keynesian Framework	1 st Edition	Princeton University Press	978-0-691-13316-4

2	Hans Visser	2004	Monetary Economics, Exchange Rate Theories, Systems and Policies	Third Edition	Edward Elgar Publishing, Inc.	184376 595 0
3	Benjamin Eden	2005	A course in monetary economics: sequential trade, money, and uncertainty	1 st Edition	Blackwell Publishing	0-631-21566-2
4	Heijdra, B., & Van der Ploeg, F.	2002	Foundations of Modern Macroeconomics	3 rd Edition	Oxford University Press	0198776187
5	Keynes, J.M.,	1936	The General Theory of Employment, Interest and Money		MIT Press	
6	Obstfeld, M	1996	Foundations of International Economics		Ohio: South-Western	
7	Sargent, T.	1987	Macroeconomic Theory.		Academic Press	
8	Sachs, J., Larrain, F.,	2013	Money and Monetary Policy		MIT Press	
9	Wickens, M.,	2011	Macroeconomic Theory: A dynamic General Equilibrium Approach	2 nd	Princeton University	
10	Woodford, M.,	1999	Revolution and Evolution in Twentieth Century Macroeconomics			

Suggested Journals

Journal of Monetary Economics

Journal of Money, Credit and Banking

*CBN Economic and Financial Review

*African Review of Money, Finance and Banking

*Journal of Money, Credit and Interest

*CBN Bullion

*Savings and Development

*International Research Journal of Finance and Economics

- *Journal of Financial Economics
- *Journal of Finance
- *Review of Financial Studies
- *Journal of Applied Corporate Finance
- *Journal of Corporate Finance
- *Journal of Financial and Quantitative Analysis
- *American Economic Review
- *Journal of Banking and Finance
- *Quarterly Journal of Economics
- *Review of Financial Studies
- *Econometrica
- *Journal of International Financial Markets, Institutions and Money
- *Nigerian Journal of Economic and Social Studies
- *Journal of Financial Economic Policy
- *Journal of Finance and Economics

Facilities Requirements

A lecture room with appropriate teaching and lab (if any) facilities

