

The Hashemite University
Faculty of Economics and Business Administration
Offering department : Economic



Monetary theory (1802011406)

SYLLABUS

Dr. hail- jemel

Office Hours: 10. 20 -11.20r by appointment

Office number: 366 economic and

Meeting Times: 8-9 (317) .

Pre-requisite: 1802011303 &1802011202

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Required Reference :

The Economics of Money , Banking and financial Markets , f.s Miskhin ,2009.
And Monetary Economic, T.T SETHI , 1996.

Supporting Material:

Over the Internet:

Has the following companion website <http://www.myeconlab.com/students>

Note: you need to buy the book to get your access code

Course Objectives:

This course enhance student’s ability to make decisions regarding the Monetary theory, The course will develop the student ability to understand , explain and use Monetary theory. In addition, to make the students familiar with the limitation and strength of each model.

Grading

The final grade distribution is as follows:

Homework’s, Attendance , In-Class Exercises, Quizzes:..... 10 Points

1 exam: (Ch. 1 – 3)...25 Points

2 exam: (Ch4.- 6).....25 Points

3- class activity 10 points

Final Exam: To be announced ...(comprehensive)40 Points

Total:100 Points

Learning Outcomes:

You will learn about

-Analysis role of money in economic activity in classical theory.

- Analysis Role of Money in Economic Activity in Keynesian Thought.

-Analysis role of money in economic activity according the modern quantity theory.

- The money demand according to quantity theory and the new –classical theory and Keynes theory and the Modern Monetary Analysis.
monetary analysis.

Skills: You should be able to:

- Understand role of money on the economic activity .
- Impact of money on the prices level.
- Impact of money on the interest rate and production.
- Explain the demand for money and its relation with money supply

Competence

You should be able to:

- read and understand project reports and journal articles that make use of the concepts and methods that are introduced in the course.
- make use of the course content in your own academic work.

Quizzes and Exams:

I will **NOT** accept excuses for missed exams or quizzes. Arrangements of using make-up exam can be made in advance in extraordinary circumstances. No make-up quiz will be held. The final examination will be comprehensive.

Homework:

Homework is assigned and graded. Homework problems are to be considered an integral part of the course. It is up to the students to make sure he/she knows how to solve the problems in homework set. The exams will be designed to distinguish students who work out and study the homework problems.

Content course:

C.1: The Relationship between money and economic activity before classical school.

- Nicolas and Copernic thoughts.
- John hales thoughts.
- john locke.
- Jean bodin thoughts.
- j.s. Mill thoughts.

C.2: Analysis role of money in economic activity in the classical economic thought.

- location of money in the economy.
- the money supply determinations.
- the relationship between quantity of money , price and aggregate demand.

C.3: The quantity theory in money (fisher theory).

- The exchange equation .

- role of money in economy at (wick sell) thought.

C.4: the Cash –Balance theory at (Pigou , Marshal and Robertson).

C.5 : .Analysis role of money in economy according to Keynes theory and the modern quantity theory.

C.6:The demand for money in :

- the quantity monetary theory and the cash balance theory.
- The demand for money at the Keynes theory and modern quantity theory (Friedman).
- distinguish between Friedman and Keynesian theory.

C.7: Transmission mechanism of monetary policy.

- structural model evidence.
- Reduced –form evidence.
- advantage these two models .
- Monetarists objected on the early Keynesians.