

EC248-2-SP – Course Introduction
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Monetary Innovations and Central Banks

Alexander Mihailov
University of Essex

Lecturer

- **education**

- BSc/Diploma, U of National and World Economy, Sofia, 1991
- MSc, U of Lausanne, 1998
- PhD, U of Lausanne, 2004

- **experience**

- Bulgarian National Bank, Sofia, 1991 – 1996
- *St. Kliment Okhridski* U of Sofia, 1994 – 1997 (part time)
- U of Lausanne, 1998 – 2003
- U of Essex, 2003 – to date
- City U, London, 2005 – to date (visiting lecturer)

- **website:** U of Essex Econ Dept + (link to) personal website

- e-mail: mihailov@essex.ac.uk
- research interests, working papers, publications
- teaching preferences, courses taught/assisted

Course organisation

- **lectures:** Monday, 1:00 – 2:50 pm, Room: LTB 9
- **classes:** Wednesday, 9:00 – 9:50 am, Room: LTB 9
- **readings**
 - **essential:** Mishkin (2004, 7th ed.); Howells & Bain (2004, 4th ed.)
 - **supplementary & background:** (Fraser,) Gup & Kolari (200(1/4, (2nd/)3rd eds.), Rose & Hudgins (2005, 6th ed.), Goodhart (1988, 2nd ed.)
- **course website:** U of Essex online resources
 - lecture **slides** (used as **handouts**)
 - **term paper titles** and **example questions**
 - some **journals**, with links to their websites (for the ambitious)
 - links to other related **websites** (for the curious)

Why attend lectures?

- **overall perspective:** lecturer will
 - order information, organise literature \Leftrightarrow **structure**
 - build up step by step, guide through stages \Leftrightarrow **signposting**
 - explain concepts/theories in simple(r) words \Leftrightarrow **reduction**
- **personal contact:** lecturer will
 - express own point of view
 - invite questions/opinions
- **social event:** common interest, equal coverage
- attendance **not substitute** for books and learning

Course overview

1. Money, Banking and the Financial System: An Introduction
2. Financial Markets: Determinants and Role of Interest Rates
3. Financial Intermediation: Rationale, Competition, Regulation
4. Central Banking and the Supply of Money
5. The Demand for Money and Monetary Theory
6. Formulation and Implementation of Monetary Policy
7. Commercial Banking: From Deposit/Lending to Risk Management
8. Financial Innovations: Off-Balance Sheet Activities of Banks
9. Financial Innovations: Nonbank Finance and Electronic Money
10. Money, the State and the Trend toward Cashlessness