20ECC035: Central Banking and Financial Crises

Module details

Module Leader	Dr CG Spencer
Long Title	Central Banking and Financial Crises
Distance Learning	None
Credit Weighting	20
Sensitive Content	N
Exam Weight %	100
Coursework Weight %	0

Module instance details (including semester changes)

Instance Number	Instance Start Date	Delivery Start Date	Delivery End Date	Delivery Period
1	01/02/2021	01/02/2021	16/06/2021	Semester Two

Pre requisites and co requisites

Pre requisite modules

ECB001, ECB501

Other pre requisites

Co requisites

Excluded combinations

Availability

Module is available to students meeting pre-requisites but only if listed in their Programme Specifications.

Accessibility

Accessibility

C. Does not use methods which are likely to present difficulties for students with disabilities

Accessibility information

Module aims and content

Aims

The aim of this module is for the student to appreciate how and why central banks use monetary policy, with a view to understanding noteworthy recent and historical policy developments in the UK, the US, Japan, and the euro area. Part of the module is geared towards understanding how central banks react to financial crises, with special emphasis placed on the recent global financial crisis, as well as important historical events such as the great depression. The module aims to make students appreciate how the central bank is at the heart of a country's financial and economic system.

Contents

Quantitative easing; monetary policy at zero interest rates; the relationship between the central bank and the financial system; financial crises; the term structure of interest rates; central banking and central bank independence; politics and monetary policy; the money supply; inflation targeting; the monetary transmission mechanism; inflation and deflation; time-consistent monetary policy; types of data, forecast and other reports used in monetary policy analysis; uncertainty and monetary policy; voting in monetary policy committees.

Module learning outcomes

Knowledge and Understanding

- A01: students should have acquired an in-depth understanding of: the response of central banks to the 2008 global financial crisis; quantitative easing and unconventional monetary policy; the neutrality debate; the monetary transmission mechanism; the rules versus discretion debate; the practical implementation of monetary policy in normal and abnormal times; politics and monetary policy; the arguments for and against central bank independence; inflation and deflation; how monetary policy committees set interest rates in practice.

Subject-Specific - Cognitive Skills

- B01: students should be able to appreciate the theoretical, historical and institutional context within which central banks, such as the Bank of England and the United States Federal Reserve, operate.

Subject-Specific - Practical Skills

> **There are no module learning outcomes defined for this category.**

Key Transferable Skills

- D01: students should be able to explain, communicate and evaluate the conduct of past and present monetary policy in the light of the relevant theoretical literature and available empirical evidence.
- D02: On completion of the module, students should be able to work as a team, communicate clearly in speech, and be able to organize, interpret and present quantitative data used in monetary policy analysis. The training of these skills will take place through lectures and tutorials, and in particular through worked exercises and group presentations.

Teaching and learning

Activity	Hours	Comments
Guided independent study	168	
Lecture	28	
Practical classes and workshops	4	
Total	**200**	

Expected hours of student effort:

200

Teaching and learning text

Private study should comprise: guided reading and preparation associated with lectures; student self-directed learning in the subject area of the module; preparation and production of assessed coursework; examination preparation and revision.

Assessment

This information relates to the default instance of the module:

Assessment Code	Assessment Title	Weight (%)	Assessment Type	Exam Semester	Exam Length	Coursework Length	SAP Availability	Chronological Order
S2E	Exam	80	Exam	2	3 hrs		Yes, can be reassessed in SAP	0
S2IDE	In-Department Exam	20	In-Dept Exam	2	1 hr		Yes, can be reassessed in SAP	0

Assessment text

Module feedback

Feedback given to students in response to assessed work

Individual written feedback on coursework;
Generic written feedback on examinations;
Individual feedback on request

Developmental feedback generated through teaching activities

Feedback on drafts / work plans.
3. Feedback given to students in response to non-assessed work.
Immediate group feedback on problem solving exercises during lectures and tutorials.

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