



LUND
UNIVERSITY

School of Economics and Management

EEH022F, Theory and Practice of Money and Finance, 7.5 credits

Finansiella och monetära system i teori och praktik, 7,5 högskolepoäng
Third Cycle / Doktorandnivå

Details of approval

Approved by the Board of the Department of Economic History, Lund University School of Economics and Management 2021-03-09.

General Information

This is an optional course at the PhD programme.

The language of instruction is English.

Learning outcomes

On a general level, the student will gain advanced knowledge of financial and monetary systems, both theoretically and empirically. The student will learn about the emergence and development of financial and monetary systems with a special focus on cases where these systems historically have played important role in economic development. In particular, the student will gain a good knowledge of the differences between different financial and monetary systems and their role for economic growth and financial inclusion but also for crises.

To pass the course, the student should be able to:

Knowledge and understanding

- demonstrate knowledge of the most important questions and periods in the development of monetary and financial systems and crises since the early modern period
- demonstrate knowledge about the drivers and obstacles to financial inclusion

Competence and skills

- to critically apply theories and analytical concepts from the literature on monetary and financial systems

Judgement and approach

- make critical use of empirical evidence in addressing different dimensions of monetary and financial systems
- discuss and defend theoretically and empirically sound analyses of the development patterns of monetary and financial systems
- analyse and evaluate how monetary and financial systems may contribute to economic development

Course content

A key question in the research on financial and monetary systems is whether they lead to economic growth and modernization - or rather - in which cases financial systems are able to do so and in which cases they do not. The course deals with the criteria that are assumed to lead to well-functioning monetary and financial systems both in theory and in practice, both present and historical. From the early 1990s (after the EMS crisis) until the 2007–2008 crisis, ideas about the importance of financial systems for economic growth circulated in many parts of the world. Leading academics and institutions, such as the World Bank, the OECD and others, saw the financial system as a key to economic growth and development. However, this positive attitude towards the role of the financial system quickly ended with the outbreak of the 2007/08 crisis. Many countries still suffer from the recession with increasing debt, low or non-existent growth and poor confidence in the future. The aim of this course is to understand these contradictory views on financial and monetary systems as necessary for economic growth and development, but at the same time how financial and monetary systems can, under certain conditions, lead to instability and crises.

Course design

The course comprise of a number of group meetings. During the course, a number of different theories and empirical cases will be presented through the course literature and then discussed in depth at the meetings. Prior to each of these meetings, students should write a shorter paper that relates to the literature and the problems discussed in it. It is a requirement that the submitted texts use both theories and empirics regarding financial and monetary systems. For example, theories can be applied to empirical cases, or alternatively, it can be analyzed how empirical cases led to the emergence of theories. The papers submitted as part of the examination are discussed orally in the group.

Assessment

Grading is based on individual performance both orally and in writing. Grading is continuous throughout the course. The greatest weight is given to the final paper. The University views plagiarism very seriously, and will take disciplinary actions against students for any kind of attempted malpractice in examinations and assessments. The penalty that may be imposed for this, and other unfair practice in examinations or assessments, includes suspension from the University. The examiner, in consultation with Disability Support Services, may deviate from the regular form of examination in order to provide a permanently disabled student with a form of examination equivalent to that of a student without a disability.

Grades

Marking scale: Fail or Pass.

Prerequisites

PhD students applying for this course should have at least 60 credit points in either economic history, business administration, economic and social geography, economics, history, sociology or the equivalent knowledge.

Further information

This course cannot be included in the same degree as EKHT45.