

Syllabus

Course Title:		
Banking and Regulation		
Responsible:		
Prof. Dr. Andreas Barth		
Programme:	Term:	ECTS:
Master	Winter	5
Contents & Objectives:		
<p>Contents:</p> <p>This module will give a broad overview of the theory of banking. Topics include the basic principles of banking such as a basic understanding of why banks exist and how banks behave (competitive behavior, risk-taking) followed by a discussion of topics relevant to economic policy, such as understanding why banks are unstable and why banks have to be regulated?</p> <p>A solid understanding of these concepts and methods is not only of academic interest but such knowledge is also useful if you plan to work in the financial sector. Some of the concepts discussed in this lecture, such as contract theory, economics of information, bank management, and econometrics are developments and extensions of topics you may already be familiar with from other courses. However, the course will be self-contained so that prior knowledge in these fields might be helpful, but not required.</p> <p>I would seriously encourage you to actively participate in the course. Active involvement not only makes the course more enjoyable (for me too!) but also saves you time in the long run, as the content is usually absorbed much faster and more thoroughly compared to passive listening. This interaction is the key benefit of an in-person lecture!</p>		
Prerequisites:		
<p>Prior knowledge in contract theory, economics of information, bank management, and econometrics is useful, but not required (course is self-contained).</p>		
Competences gained:		
<p>Students will:</p> <ul style="list-style-type: none"> • get an introduction to the area of banking and regulation. • apply and analyze advanced theoretical concepts of monetary and financial economics. • understand advanced empirical studies and are able to discuss research findings in the light of the theoretical concepts. 		

Faculty of Business Management and Economics

<ul style="list-style-type: none">• understand the background to financial crises and the response options available to international regulatory authorities.• understand research articles from the area of banking and to discuss current policy issues related to the financial sector.
Literature:
<p>The main references will be journal articles. Moreover, there is a modern textbook on banking theory that might serve as a helpful supplementary reading:</p> <ul style="list-style-type: none">• Freixas, X.; J.-C. Rochet: Microeconomics of Banking, 3. Edition, The MIT Press, 2023.
Exam:
60-minute final written exam
Contact:
andreas.barth@uni-wuerzburg.de