

NAME OF THE COURSE		EU MONETARY SYSTEM AND POLICY				
Code	EUE404	Year of study	1			
Course teacher	Mario Pečarić, PhD Josip Visković, PhD Roberto Ercegovac, PhD	Credits (ECTS)	5			
Associate teachers	Josip Visković, PhD	Type of instruction (number of hours)	L	S	E	F
			26		26	
Status of the course	Elective	Percentage of application of e-learning	30%			
COURSE DESCRIPTION						
Course objectives	The aim of the course is to introduce and analyse the monetary system of EU policy and instruments					
Course enrolment requirements and entry competences required for the course	Knowledge of the basic concepts of finance (time value of money, opportunity cost, fundamentals of evaluation, capital structure, capital budgeting, types of exchange rate regimes and types of financial markets).					
Learning outcomes expected at the level of the course (4 to 10 learning outcomes)	<p>The course learning outcome: Assess the role of the EU monetary system within the financial system</p> <p>Individual learning outcomes:</p> <ol style="list-style-type: none"> 1. Assess the reasons and the effects of monetary integration and evaluate them in the analysis of the EMU foundation process and the process of joining EMU in the context of Optimal Currency Area theory (Level 6). 2. Analyse and institutional structure of the EU/EMU and analytically argue the need for its reform (Level 6). 3. Analytically assess the processes of creating a banking union and its regulation (level 6). 4. Analyze the design of EU/EMU monetary policy and the use of its instruments, especially in crisis situations (level 6). 5. Analyze the design and coordination of EU/EMU monetary and fiscal policy (level 6). 					
Course content broken down in detail by weekly class schedule (syllabus)	Lectures		Exercises			
	Topic	Hours	Topic	Hours		
	The concept and motives of monetary integration and the process of monetary unification in Europe	2	Theory of optimal currency area - model approach	2		
	The Concept and Motives of Monetary Integration and the Process of Monetary Unification in Europe	2	Exchange rate mechanism II	2		
	Designing the institutional structure of the EMU - monetary system and central bank	2	ECB Design - Decision System Reform - A Model Approach	2		
	Institutional structure of EMU – European payment system	2	Structure and content of the European payment system. SEPA. TARGET2- Risk management and legislative concept of market infrastructure	2		
	Banking Union	2	The concept and consequences of open banking in the EU	2		
Institutional and content	2	Structural problems of the European	2			

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	framework of banking system regulation in the EU		banking system. Regulatory reform.		
	EMU Monetary Policy Strategy	2	EMU Monetary Policy Strategy Reform	2	
	Eurosystem monetary policy operational framework 1	2	Designing Monetary Policy Instruments – open market operations	2	
	Eurosystem monetary policy operational framework 2	2	Designing Monetary Policy Instruments – standing facilities and minimum reserves	2	
	Eurosystem monetary policy operational framework 3	2	Designing Monetary Policy Instruments in Crisis - Anti-crisis management in the monetary union model	2	
	Harmonization of fiscal and monetary policy - model approach; monetary and fiscal union	2	Seminar essays presentations and discussion	2	
	Monetary Union exchange rate policy – euro as a world reserve currency – Determinants analysis of the reserve currency	2	Seminar essays presentations and discussion	2	
	Eurozone accession process - model approach	2	Seminar essays presentations and discussion	2	
	Format of instruction	X lectures <input type="checkbox"/> seminars and workshops X exercises <input type="checkbox"/> <i>on line</i> in entirety X partial e-learning <input type="checkbox"/> field work		X independent assignments <input type="checkbox"/> multimedia <input type="checkbox"/> laboratory <input type="checkbox"/> work with mentor <input type="checkbox"/> (other)	
Student responsibilities	Activities to grant signature: participation in 2 self-evaluation tests and a minimum of 50% class attendance.				
Screening student work (name the proportion of ECTS credits for each activity so that the total number of ECTS credits is equal to the ECTS value of the course)	Class attendance	1	Research		
	Experimental work		Report		
	Essay		Seminar essay	1,5	Self-evaluation tests 0.5
	Tests	2*	Oral exam		(Other)
	Written exam	2*	Project		(Other)
Grading and evaluating student work in class and at the final exam	* Tests are alternative to written exam. Written test/exam is weighted by 70% and-seminar essay by 30% of final grade The number of points (in %) corresponds to following grades: 0-50 insufficient (1) 51-65 sufficient (2) 66-75 good (3) 76-85 very good (4) 86-100 excellent (5) The exam is deemed to be passed if the student has: - achieved minimum of 50% on test, or alternatively, minimum of 50% on written exam;				

	<p>- written and presented the results of seminar essay. - attended four selfevaluation tests.</p> <p>The final grade is formed as a sum of: 1) total points obtained on two written tests/final written test weighted by 0.7 2) seminar essay weighted by 0.3.</p>		
Required literature (available in the library and via other media)	Title	Number of copies in the library	Availability via other media
	Authorized lectures and teaching materials on Moodle	-	Moodle
	De Grauwe, P.: Economics of Monetary Union, Oxford University Press, 2020	2	
Optional literature (at the time of submission of study programme proposal)	<p><i>Textbooks and books:</i></p> <p>Other sources: ECB: A tale of two decades: the ECB's monetary policy at 20, Working Paper Series, 2019 Hartmann, P., Smets, P. The European Central Bank's Monetary Policy during Its First 20 Years, European Central Bank, 2018 ECB: Monetary policy, Annual publications Eurostat (http://ec.europa.eu/eurostat) Eurostat (http://ec.europa.eu/eurostat) World Bank (https://data.worldbank.org)</p>		
Quality assurance methods that ensure the acquisition of exit competences	<ul style="list-style-type: none"> • Class attendance records and documentation about students' results in fulfilling their obligations (lecturer) • Class management surveillance (Vice-dean for education). • Study efficacy analysis of all study courses (Vice-dean for education). • Student poll on lecturer and class efficacy for each study course (University of Split, Quality Improvement Center) • All course learning outcomes are to be verified by the course teacher during the exam. Exam content is being validated on regular basis in order to evaluate the appropriateness of means of examining the learning outcomes (Vice-dean for education). 		
Other (as the proposer wishes to add)			