York University
Faculty of Liberal Arts & Professional Studies
Department of Economics

Course Name and Term

AP/ECON 3430A MONETARY ECONOMICS - Fall 2026.

Pre-requisites

AP/ECON 1000 and AP/ECON1010 or equivalents. Basic algebra will be used.

Course Webpage

`https://eclass.yorku.ca`. Please visit the web site regularly for announcements, problem sets, old exams, and solutions.

Course Instructor

Professor Ahmet Akyol.
Office: Vari Hall 1050.
Email: `akyol@yorku.ca`.
Lecture Hours and Location: M 11:30am-2:30pm, in CLH - J.
Office Hours: M 10:00am–11:15am.

Course Description

We will study the principal financial institutions and markets in the Canadian economy. We will build economic models to analyze the economic function, regulation, and operational features of these institutions and markets. We will contrast these institutions with "optimal" allocations as well as those in other countries. Our approach to reach these goals will be model-based. There will be a lot of emphasis on the tools to analyze topics, and not so much on the institutional details. This approach will allow you to adjust the models you learn as institutions are not constant over time or across different countries. Furthermore, you can also use these tools in other economics courses (e.g. public finance or labour economics) to study other economic issues.

Required Textbook:

Champ, B. Freeman, S., and Haslag J. *Modeling Monetary Economies*, Cambridge University Press, 5th Edition 2022. You can buy the Ebook edition using the Day1Digital Ebooks system at $63 from the York University Bookstore. More information is available on the course website. Alternatively, you can purchase a hard copy at approximately $75 from a bookstore.

Evaluation:

There will be a midterm and a final exam. The midterm will be held on October 26 (during class time) . The final exam will cover **all** material discussed in class. The date of the final exam will be determined by the Registrar's Office. Let your scores on the midterm and final exam be m and f respectively. Your grade will be based on the following formula:

$$\max\left\{0.3m + 0.7f, f\right\}.$$

Rules:

1. There will be **no** make-up exam for the midterm exam. If you miss the midterm test for any reason, your final exam will have a weight of 100% of your grade.

2. The grades may be scaled to conform with the regulations of the Faculty of LA&PS. (For example, 79% is a **B+**, not an **A**.)

3. A student that misses the final exam and requests deferred standing, must consult the Guidelines for Deferred Standing, available at: http://econ.laps.yorku.ca/students/academic-policies-procedure/deferredstanding/ Students who may require further extensions or accommodation will have to submit a formal petition to the Faculty.

Topics:

1. The Economy and the Planner's Solution: Chapter 1.

2. Equilibrium Trade in the Economy without Money: Chapter 2.

3. A Simple Model of Money: Chapter 3.

4. Inflation: Chapter 5.

5. Capital: Chapter 8.
6. Liquidity and Financial Intermediation: Chapter 9.
7. Central Banking: Chapter 10.
8. Money Stock Fluctations: Chapter 11.

Note on Academic Honesty:

Academic integrity is a fundamental and important value of York University. To maintain a fair and honest learning environment, students in this course are responsible for understanding and upholding academic integrity in all of their academic activities. To better understand expectations, familiarize yourself with the Senate Policy on Academic Conduct. To learn more about how to demonstrate academic integrity in your courses and to access related resources and support, visit the Academic Integrity website.

Important Dates:

For important dates (exam weeks, holidays, religous observance, etc.), please visit the Registrar's webpage.

Withdrawal Policy:

Please go to this page here.