

Module number and title	E5087 Banking and Banking Regulation
Form and applicability of the module	Elective course for M.Sc. Economics program
Duration of the Module	1 semester
ECTS-Credits	5
Teaching method	Lecture (2 SWS)
Workload	140 hours of which 21 in class and 119 independent study time
Cycle of offer	Irregular, spring semester
Expected number of students in class	30
Course language	English
Prerequisites	Core courses E600-603. Students without sufficient prior mathematical skills are expected to have attended the Math Prep Course
Goals and Contents of the module	The course covers the basic theory of banking and its regulation, with an emphasis on the systemic problems of financial stability. The course will first cover classic theories of banking based on screening, monitoring, risk-sharing, maturity transformation, and liquidity provision. It will then address problems of financial stability with respect to banking as well as to shadow banking and discuss regulation in the context of the current debate about macroprudential regulation and the Basel reform process.
Expected Competences acquired after completion of the module	Upon successful completion of the course, students should understand the most important economic functions of banks and the associated potential of banking failures. They will acquire the necessary analytical tools to understand the current regulatory debate about banking reform and should be able to critically assess the merits of different reform proposals.
Further information	<p>There is no textbook for this course, as some of the material is still fairly new and subject to ongoing research. The following book provides a broad overview over modern banking and financial markets and covers many topics of the course in quite accessible form.</p> <p>Greenbaum, Stuart, Anjan Thakor, and Arnout Boot, Contemporary Financial Intermediation, Third Edition, Academic Press 2016.</p> <p>This book is written for a less advanced audience than the Mannheim MSc and therefore does not cover some of its themes in</p>

	<p>the same depth as our course.</p> <p>Another excellent and very accessible book on a central problem of banking is</p> <p>Admati, Anat and Martin Hellwig, <i>The Bankers' New Clothes</i>, Princeton University Press 2013.</p>
Responsible teacher of the module	Ernst-Ludwig von Thadden
Contact Information	Phone: (0621) 181 - 1914; email: vthadden@uni-mannheim.de ; Office: 3.19, VWL-Building; Office hours: upon appointment.