

Field of study:**Finance and Accounting****Subject: Analysis of Financial System Stability**

Level of study: undergraduate studies

System of study: Full-time

Profile of studies: general academic

Subject: Analysis of Financial System Stability

Form of classes and the ECTS points

	Number of hours	ECTS points	Credit
lectures	30		exam
exercises	15		credit with mark
Total	45	7	

Aims of teaching

Financial stability is the basis for economic growth and social development. Public and financial authorities strive to maintain financial stability. Along this, crises are a permanent phenomenon in the economy, but they differ in geographical range, intensity and effects. Their nature should be examined, if possible, on the basis of experiences from the past. They should be prevented in the future, or at least their effects on the economies and financial system should be minimized.

During the lectures students are going to learn about the concept and essence of financial stability, measurements and determinants of financial system stability and mechanisms of formation and the process of crises that result in perturbations in the functioning of the economy and financial system.

1. The financial system and its components. The market and public financial system
2. The concept and essence of financial stability.
3. Financial crises and financial stability - H. Minsky's hypothesis of financial instability.
4. Measurements and determinants of financial system stability.
5. Taxonomy of crises - economic crises, financial crises, currency crises, stock market crises, debt crises.

6. Theoretical models of financial and banking crises (monetary approach, F. Mishkin's model, Kindleberger-Minsky's model, Demirgüç-Kunt and Detragiache's model).
7. Restructuring methods used in crisis resolution.
8. Government intervention in relation to private investors. Moral temptation.
9. Contagion effect in modern economy.
10. Financial stability supporting activities on the national and supranational level. New financial architecture.

Intended learning outcomes

KNOWLEDGE		
SYMBOL	DESCRIPTION	REFERENCE TO THE PROFILE OUTCOME
P_W1	By the end of the course students will have been provided with the rudimentary knowledge concerning the financial crises theory as well as the process and effects of the crises particularly significant for the development of the world economy.	FiR_WG02_Lic FiR_WG04_Lic FiR_WG05_Lic FiR_WG06_Lic FiR_WG13_Lic FiR_WG15_Lic FiR_WG18_Lic
P_W2	By the end of the course students should be able to acquaint the theoretical and practical premises and effects of financial crises.	FiR_WG02_Lic FiR_WG08_Lic
P_W3	By the end of the course students should be able to recognize the particular importance and impact of the financial stability for the development of the economy	FiR_WG03_Lic FiR_WG04_Lic FiR_WG08_Lic
SKILLS		
SYMBOL	DESCRIPTION	REFERENCE TO THE PROFILE OUTCOME
P_U1	By the end of the course students should be able to analyze the process and the effects of definite crises.	FiR_UW01_Lic FiR_UW04_Lic
P_U2	By the end of the course students should be able to forecast the forthcoming crises by means of analytical devices.	FiR_UW04_Lic FiR_UW06_Lic
P_U3	By the end of the course students should be able to analyse examples of different types and types of financial crisis.	FiR_UW01_Lic FiR_UW02_Lic FiR_UW03_Lic
SOCIAL COMPETENCES		
SYMBOL	DESCRIPTION	REFERENCE TO THE PROFILE OUTCOME
P_K1	By the end of the course students should be able to search for source materials and prepare a coherent, logical presentation of the combined conclusions.	FiR_KK01_Lic FiR_KK02_Lic FiR_KO01_Lic
P_K2	By the end of the course students should be able to work in a team.	FiR_KK03_Lic FiR_KK04_Lic

Course content
