

Yıldız Technical University
The Institute of Social Sciences
MA in Economics

Course Name	Code	Regular Semester	ECTS Credits	Credits	Lecture	3
					Application	0
MONETARY ECONOMICS	Eco 6116			3	Laboratory (Hour/Week)	0
Course Language	Turkish					
Compulsory or Elective	Elective					
Instructor	Prof. Dr. Gülsün Yay					
Course Contents	Monetary Theory and Policy					
Course Objectives	The Analysis of Relationship Between the Monetary Variables and Real Variables					
Course Outcomes (The knowledge and the skills that the student will gain at the end of the course)	The students will have the knowledge on Monetary Economics and will gain the skills of understanding and evaluating of Monetary Issues.					
Textbook	M.K.Lewis & P.D. Mizen, Monetary Economics, 2000, Oxford F.S. Mishkin, The Economics of Money, Banking and Financial Markets, 2000 N. Keyder, Para, 2002, METU					
Additional References	Various Articles on the Subject					
Prerequisite Courses	-					
Prerequisite Subjects	-					
Homework/Project	1 Term Paper					
Laboratory						
Computer Applications						
Additional Practices						
Course Evaluation Criteria			Number	Effective Proportion %		
	Midterm Exams		1	30		
	Quiz					
	Homework					
	Term Projects					
	Term Papers		1	30		
	Laboratory					
	Other					
	Final Exam		1	40		
Division of Course Credit (%)	Basic Sciences					
	Basic Engineering and Departmental Core Courses					
	Departmental Core Courses					
	Social Sciences					

Course outline	Week	Topics
	1	The Main Concepts on Money: Neutrality of Money, Endogeneity of Money, Money Supply and Balance Sheet of Central Bank
	2	Theory of Demand for Money, Portfolio Theories
	3	The Relationship Between Money and Interest Rate
	4	The Relationship Among the Balance of Payments, Exchange Rate Markets and Monetary Variables
	5	Classical and Keynesian Framework: IS-LM Model and AS-AD Analysis;
	6	Money and Economic Activity in the Short-Run: New Classical and New Keynesian Models
	7	Midterm Exam
	8	Money and Inflation : Inflation Theory and Cost of Inflation
	9	Monetary Policy Tools, Goals and Targets; Conduct of Monetary Policy
	10	Transmission Mechanisms of Monetary Policy
	11	Disinflationary and Stability Policies: Exchange Rate Targeting, Monetary Aggregates Targeting and Inflation Targeting
	12	The Independence of Central Bank, Currency Board System and Full Dollarisation
	13	Theory of Financial and Banking Crises and The Problems of Banking Sector
	14	Financial Regulations and Tobin Tax