

## Department of Economics

Course Name	Code	Regular Semester	ECTS Credits	Credits	Lecture	3
					Application	0
<i>Monetary Theory</i>	<i>IKL 3041</i>	<i>5</i>		<i>3</i>	Laboratory (Hour/Week)	<i>0</i>
<b>Course Language</b>	<i>Turkish</i>					
<b>Compulsory or Elective</b>	<i>Compulsory</i>					
<b>Instructor</b>	<i>Prof. Dr. Gülsün Yay</i>					
<b>Course Contents</b>	<i>Theoretical Framework of Monetary Theory</i>					
<b>Course Objectives</b>	<i>The Detailed Analysis of the Monetary Concepts, Theories, Institutions and Policies.</i>					
<b>Course Outcomes (The knowledge and the skills that the student will gain at the end of the course)</b>	<i>The students will have capability to analyzes the changes at the monetary variables(supply of money, demand for money, interest rate, exchange rate) and Central Bank Policies.</i>					
<b>Textbook</b>	<i>Ders Notları (Photocopy) Merih Paya, Para Teorisi ve Politikası, Filiz Kitabevi, 2002 Nur Keyder, Para, ODTÜ, 2002</i>					
<b>Additional References</b>	<i>F. Mishkin, Money, Banking and Financial Markets, Addison Wesley, 2001</i>					
<b>Prerequisite Courses</b>	<i>None</i>					
<b>Prerequisite Subjects</b>						
<b>Homework/Project</b>						
<b>Laboratory</b>						
<b>Computer Applications</b>						
<b>Additional Practices</b>						

Course Evaluation Criteria		Number	Effective Proportion %
	<b>Midterm Exams</b>	<i>2</i>	<i>60</i>
	<b>Quiz</b>		
	<b>Homework</b>		
	<b>Term Projects</b>		
	<b>Term Papers</b>		
	<b>Laboratory</b>		
	<b>Other</b>		
	<b>Final Exam</b>	<i>1</i>	<i>40</i>
Division of Course Credit (%)	<b>Basic Sciences</b>		
	<b>Basic Engineering and Departmental Core Courses</b>		
	<b>Departmental Core Courses</b>		
	<b>Social Sciences</b>		

## WEEKLY COURSE PLAN

<b>Week</b>	<b>Subject</b>
1	<i>The Developments of Monetary and Financial Economics in Last Two Decades</i>
2	<i>Definitions and Functions of Money and Development of International Monetary Systems</i>
3	<i>Money Supply and Balance Sheet of Central Bank</i>
4	<i>Theory of Demand for Money: Classical and Modern Quantity Theory of Money, Alternative Portfolio Theories</i>
5	<i>The Relationship Between Money and Interest Rate</i>
6	<i>The Relationship Among the Balance of Payments, Exchange Rate Market and Monetary Variables</i>
7	<i>Midterm Exam</i>
8	<i>Money and Inflation. Disinflation Policies</i>
9	<i>Classical Macroeconomic Equilibrium: ( IS - LM and AD - AS Analysis)</i>
10	<i>Keynesian Macroeconomic Equilibrium ( IS - LM and AD - AS Analysis)</i>
11	<i>Monetarism: Monetarist Transmission Mechanism and Modern Theory of Money Demand</i>
12	<i>2. Midterm Exam</i>
13	<i>New Classical Economics and Rational Expectations</i>
14	<i>New Keynesian Economics and Price Rigidities</i>
15	<i>The Interaction Between Monetary Policy and Fiscal Policy</i>
<b>Prepared by: Prof. Dr. Gülsün Yay</b>	
<b>Date: 19. 09. 2006</b>	