

Description of Individual Course Units

Course Unit Code	Course Unit Title	Type Of Course	D	U	L	ECTS
ECO 4112	MONETARY THEORY	ELECTIVE	3	0	0	6

Offered By

Economics

Level of Course Unit

First Cycle Programmes (Bachelor's Degree)

Course Coordinator

PROFESSOR SAADET KASMAN

Offered to

Economics

Course Objective

This course aims at providing general knowledge on both monetary theory and monetary policy by focusing on the role of Central bank in the economy.

Learning Outcomes of the Course Unit

1	Acquire basic knowledge about money, money demand theories, the description of money supply and the instruments of monetary policy,
2	Demonstrate the understanding of money supply process by the aid of balance sheets of CB in Turkey, banking system and the monetary transmission mechanisms,
3	Explain the role of Central Banks and the implementation of monetary policy in order to be able to suggest solution to the economic problems by using monetary policy tools.

Mode of Delivery

Face -to- Face

Prerequisites and Co-requisites

ECO 2003 - MACROECONOMICS I

Recommended Optional Programme Components

None

Course Contents

Week	Subject	Description
1	Monetary theory - The Demand for Money	23
2	Linking the Financial System and the Economy	24
3	Aggregate Demand and Aggregate Supply	25
4	Money and Output in the Short Run	26
5	Inflation: Causes and Consequences	28
6	II. Monetary Policy - Organization of Central Bank	Notes
7	The Money Supply Process	17
8	Monetary Policy Tools	20
9	The Conduct of Monetary Policy	21
10	Information Problems and Channels for Monetary Policy	27
11	III. International Topics - The Foreign Exchange Market and Exchange Rates	8
12	The International Financial System and Monetary Policy	22

Recommended or Required Reading

1. R. Glenn Hubbard (2005) Money, the Financial System and the Economy, Addison Wesley.
2. Lecture Notes

Planned Learning Activities and Teaching Methods

1. Lecture
2. Review sessions
3. Journal keeping about the news on monetary policy

Assessment Methods

SORTING NUMBER	SHORT CODE	LONG CODE	FORMULA
1	MT	Midterm	
2	ASS	Assignment	
3	FN	Final	
4	FCG	FINAL COURSE GRADE	$MT * 0.40 + ASS * 0.10 + FN * 0.50$
5	RST	RESIT	
6	FCGR	FINAL COURSE GRADE	$MT * 0.40 + ASS * 0.10 + RST *$

(RESIT)

0.50

***** Resit Exam is Not Administered in Institutions Where Resit is not Applicable.**

Further Notes About Assessment Methods

1. Midterm
2. Final
3. Reading and Collecting Essay

Assessment Criteria

1. The learner will be able to demonstrate understanding of basic economic concepts related to money so that they can follow the news about the monetary policy in the media.
2. The learner will Identify the dynamics behind the money demand of economic units.
3. The learner will demonstrate the understanding of money supply process by analyzing the balance sheets of the Central bank
4. The learner will show the outcomes of different monetary policies on national income, price level and interest rate

Language of Instruction

English

Course Policies and Rules

1. Attending at least 70 percent of lectures is mandatory.
2. Plagiarism of any type will result in disciplinary action.

Contact Details for the Lecturer(s)

To be announced.

Office Hours

To be announced.

Work Placement(s)

None

Workload Calculation

Activities	Number	Time (hours)	Total Work Load (hours)
Lectures	12	3	36
Tutorials	6	2	12
Preparations before/after weekly lectures	12	2	24
Preparation for midterm exam	1	15	15
Preparation for final exam	1	15	15
Preparing assignments	1	35	35
Midterm	1	2	2
Final	1	2	2
TOTAL WORKLOAD (hours)			141

Contribution of Learning Outcomes to Programme Outcomes

PO/LO	PO.1	PO.2	PO.3	PO.4	PO.5	PO.6	PO.7	PO.8	PO.9	PO.10	PO.11	PO.12	PO.13	PO.14
LO.1		5							5	2	3			
LO.2									5	3		2		
LO.3		3							5	4				