I. GENERAL INFORMATION

Course Code:  ECON.305  
Course Title:  MONEY AND BANKING  
Semester & Year:  FALL / 2007  
Department:  Economics  
Instructor:  Prof. Dr. Ekrem ERDEM

Faculty Contact Information:
Erciyes University  
Faculty of Economics & Administrative Sciences  
38039 Kayseri / TURKEY  
e-mail: ekremerdem@erciyes.edu.tr  
Phone Num.: +90 352 4374901 / 30451

II. COURSE INFORMATION

COURSE OBJECTIVES
As known, money, banking and the financial problems are the most popular economic issues in almost all over the world today. Most of the economic problems which have been discussed in either in academic environment or in practical life and media are generally have to do with this field of the economics profession. Therefore, the students having educated in the departments of economics, management and public finance are expected to be cognizants of these issues at the required level. From this point of view, the purpose of the course is to teach the student the most possible required ones form both the theoretical and practical issues in the field.

COURSE DESCRIPTION

COURSE METHODOLOGY

COURSE REQUIREMENTS
The students are expected to come to the courses as prepared as much as possible from the recommended sources according to the plan below to participate in-class discussions to comprehend the issues. To attend the courses and to follow the topics properly and seriously will be the most important factor in success. Throughout the semester, the students will take two exams as midterm and final exams. Moreover, the students will be given some assignments in due course addressed to the practice.

GRADING INFORMATION & CRITERIA
30% of the midterm exam and 70% of the final exam constitute the raw grade of the course. Raw grade is then converted into letter grade through the curve system. The outcomes are e-mailed to the students.

The students who are subject to the previous grading system are required to receive a grade of at least 50 points from the final exam. The course grade which also must be at least 50 points is the weighted average the midterm exam and the final exam. The weighs are 40% and 60% respectively.

REQUIRED & PROPOSED MATERIALS
The basic course material mainly consists of the students own notes taken from my lectures in the classroom and the additional notes and papers which I will hand out throughout the semester. In addition, the following books can be recommended to the students as supplementary resources:

v. İlyan Uludağ and Erışah Ancan, Finansal Hizmetler Ekonomisi, Beta, 1999, İstanbul.

EXTRA INFORMATION
COURSE OUTLINE

I : Definition of the course, features and functions of money.
II : Dollarization and the payments system.
III : Standards of money and the Ottoman monetary system and policy.
IV : The structure and features of financial system.
V : The structure of financial system, its problems and asymmetric information.
VI : Adverse selection, moral hazard and financial crisis.
VII : Financial tables of the commercial banks, and their basic operations.
VIII and IX : Midterm Exam
X : Risk management in banking.
XI : The bond market and determining market interest rates.
XII : The structure of non-bank financial institutions, and their operations.
XIII : Central banking and the Central Bank of Turkish Republic.
XIV : The structure of Turkish banking sector, and its operations and problems.
XV and XVI : Final Exam