

TEACHING PLAN FOR B.COM. (PROGRAMME) SEMESTER – VI

Course: PGE 61 Principles of Macroeconomics (Generic Elective, GE)
Credit: 06

UNIT	TOPIC	READINGS	NO. OF LECTURES
1. Introduction	What is macroeconomics? Macroeconomic Issues in an economy	(i) Abel and Bernanke Chapter 1 “Introduction to Macroeconomics”; Sections 1.1, 1.2 and 1.3 (pp2 to 23) (Chapter 1 in LPE 5 th edition)	Approx 5
2. National Income Accounting	Concepts of GDP and National Income; measurement of national income and related aggregates; nominal and real GDP; limitations of the GDP concept.	(i) Abel and Bernanke Chapter 2 “The Measurement and Structure of the National Economy”; Sections 2.1, to 2.5 (pp 24 to 59) (Chapter 2 in LPE 5th edition)	Approx. 10

<p>3. Determination of GDP</p>	<p>Actual and potential GDP; aggregate expenditure; consumption function; investment function; equilibrium GDP; concepts of MPS, MPC; autonomous expenditure; concepts of multiplier.</p>	<p>(i) Dornbusch, Fisher and Startz Chapter 10 “Income and Spending”; Sections 10.1, 10.2 and 10.3 (pp 198 to 209)</p> <p>(ii) Abel and Bernanke Chapter 4 “Consumption, Saving and Investment”; Section 4.1 and 4.2 (pp111 -113, 122-128) (Chapter 4 in LPE 5th edition)</p>	<p>Approx. 20</p>
<p>4. National Income Determination with Government and in an Open Economy</p>	<p>Fiscal policy; impact of changes in government expenditure and taxes; net exports and equilibrium national income.</p>	<p>(i) Dornbusch, Fisher and Startz Chapter 10 “Income and Spending”; Sections 10.4 to 10.6 (pp 209 to 222)</p> <p>(ii) Net exports (Lipsey and Chrystal, pp. 386 to 392, 12th Edition or pp 421-24, 13th Edition)</p>	<p>Approx. 10</p>

<p>5. Money in a Modern Economy</p>	<p>Concept of money in a modern economy; monetary aggregates; demand for money; quantity theory of money; liquidity preference and rate of interest;</p>	<p>(i) Dornbusch, Fisher and Startz Chapter 16 “Demand for Money”; Sections 16.2, 16.3 and 16.5</p>	<p>Approx. 15</p>
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	money supply and credit creation; monetary policy.	(pp385 to 391 and 395 to 399) (ii) Blanchard and Johnson Chapter 4; Sections 4.1 to 4.4 (pp 83 to 104)	
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Readings:

1. Abel, A., Bernanke, B. (2008). Macroeconomics, 5th ed. Pearson Education.
2. Blanchard, O, Johnson, D. (2017). Macroeconomics, 6th ed. Pearson Education.
3. Dornbusch, R., Fischer, S., Startz, R. (2018). Macroeconomics, 12th ed. McGraw-HillEducationIndia.
4. Lipsey, R. & Chrystal, A. (2015), Economics, 13th Edition, OUP, (pp 421-24).
And 12thEdition(page 386 to 392)

Assessment:

1. Internal evaluation will comprise 1 class test and another test or presentation (10 marks each)and 5 marks for attendance.
2. The end semester exam (75 marks) will comprise of two sections: A and B. Sections A will comprise short questions of 5 marks each (5 to be attempted out of 7) and Section B will comprise long questions of 10 marks each (5 to be attempted out of 7). Questions based onnumerical problems of approximately 15 to 20 marks to be included. The examination weightage: Topic 1 and 2: 20%; Topic 3 and 4: 50%; Topic 5: 30%

TEACHER: DR. SUPRITI MISHRA

TEACHING PLAN FOR B.A. (HONS) ECONOMICS SEMESTER- II

UGCF COURSE: ECON004

(INTRODUCTORY MACROECONOMICS)

CREDITS: 4

READINGS:

1. Andrew B. Abel, Ben S. Bernanke and Dean Croushore (2011). *Macroeconomics*, 7th edition, Pearson.
2. Oliver Blanchard and David R. Johanson (2013). *Macroeconomics*, 6th edition, Pearson.
3. Richard T. Froyen (2013). *Macroeconomics: Theories and Policies*, 10th edition, Pearson.
4. Rudiger Dornbusch, Stanley Fischer and Richard Startz (2011). *Macroeconomics*, 11th edition, McGraw-Hill.

UNIT	TOPIC	READINGS	NO. OF LECTURES
1. Introduction to Macroeconomics and National Income Accounting	Basic issues studied in macroeconomics; measurements of gross domestic product, income, expenditure and the circular flow; real versus nominal GDP; price indices; national income accounting for open economy, balance of payments accounts, current and capital accounts.	<p>(i) Abel, Bernanke and Croushore: Chapters 1(Section 1.1 and 1.3), Chapter 2 and 5 (upto section 5.1 (pp. 165-176). Instead of Table 5.1 in book use latest Economic Survey 2023-24</p> <p>(ii)</p> <p>(iii) National Accounts Statistics: Sources and Methods, CSO, Government of India, [Optional]</p>	10 Hours (Suggested weightage 20 Marks)

2. Money	Functions of money; quantity theory of money; determination of money supply and demand; credit creation; tools of monetary policy.	(i) Abel, Bernanke and Croushore: Chapter 7 (Section 7.1) (ii) Froyen: Chapter 4 (Section 4.1- till page 70) (iii) Blanchard: Chapter 4.	10 Hours (Suggested Weightage 20 Marks)
3. Simple Theory of Income Determination	Classical and Keynesian systems; simple Keynesian model of income determination.	(i) Froyen: Chapter 3, Chapter 4 (Section 4.1- pages 70,71,71, Section 4.2-4.4) (ii) Dornbusch, Fischer and Startz: Chapter 9	11 Hours (Suggested Weightage 20 Marks)
4. IS-LM Analysis and Aggregate Demand	Derivation of the IS-LM Curves; fiscal and monetary policy multipliers; derivation of aggregate demand.	(i) Dornbusch, Fischer and Startz: Chapter 10, Chapter 11 (Section 11.4 is optional).	14 Hours (Suggested Weightage 30 Marks)

Useful sources for data on the Indian economy:

1. Economic Survey: <https://www.indiabudget.gov.in/economicssurvey/>
2. RBI Handbook of Statistics on the Indian Economy:
<https://www.rbi.org.in/SCRIPTS/AnnualPublications.aspx?head=Handbook%20of%20Statistics%20on%20Indian%20Economy>

Assessment:

1. **Internal Assessment (IA): 30 Marks – one class test, another test or presentation (12 marks each), and 6 marks for attendance.**
2. **Continuous Assessment (CA): 40 marks – projects, presentations etc. (35 marks) and 5 marks for attendance.**
3. **The end semester exam: 90 marks will comprise numerical and other questions.**

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