

Semester	II
Paper Number	HECCR2031T
Paper Title	INTRODUCTORY MACROECONOMICS
No. of Credits	6
Theory/Composite	Theory
No. of periods assigned	5 Theory + 1 Tutorial
Course description/objective	This course aims to introduce the students to the basic concepts of Macroeconomics. Macroeconomics deals with the aggregate economy. This course discusses the preliminary concepts associated with the determination and measurement of aggregate macroeconomic variable like savings, investment, GDP, money, inflation, and the balance of payments.
Syllabus	<p>Module 1 (40 marks)</p> <p>1. Introduction to Macroeconomics and National Income Accounting Basic issues studied in macroeconomics; measurement of gross domestic product; income, expenditure and the circular flow; real versus nominal GDP; price indices; national income accounting for an open economy; balance of payments: current and capital accounts.</p> <p>2. Money Functions of money; quantity theory of money; determination of money supply and demand; credit creation; tools of monetary policy.</p> <p>3. Inflation Inflation and its social costs; hyperinflation.</p> <p>Number of Classes per week: 2</p> <hr/> <p>Module 2 (40 marks)</p> <p>4. The Closed Economy in the Short Run Classical and Keynesian systems; simple Keynesian model of income determination; IS-LM model; real balance effect, fiscal and monetary policy .</p> <p>Number of Classes per week: 3</p> <hr/> <p>Tutorial Classes per week: 1</p>
Readings	<ol style="list-style-type: none"> 1. Dornbusch, Fischer and Startz, <i>Macroeconomics</i>, McGraw Hill, 11th edition, 2010. 2. N. Gregory Mankiw. <i>Macroeconomics</i>, Worth Publishers, 7th edition, 2010. 3. Olivier Blanchard, <i>Macroeconomics</i>, Pearson Education, Inc., 5th edition, 2009. 4. Richard T. Froyen, <i>Macroeconomics</i>, Pearson Education Asia, 2nd edition, 2005.

	<p>5. Andrew B. Abel and Ben S. Bernanke, <i>Macroeconomics</i>, Pearson Education, Inc., 7th edition, 2011.</p> <p>6. Errol D'Souza, <i>Macroeconomics</i>, Pearson Education, 2009.</p> <p>7. Paul R. Krugman, Maurice Obstfeld and Marc Melitz, <i>International Economics</i>, Pearson Education Asia, 9th edition, 2012.</p> <p>8. Soumyen Sikdar, <i>Principles of Macroeconomics</i>, Oxford University Press.</p> <p>9. Chandana Ghosh and Ambar Ghosh, <i>Macroeconomics</i>, PHI Learning Pvt. Ltd., 2011.</p> <p>10. John B. Hall and Robert E. Taylor, <i>Macroeconomics</i>, W.W. Norton & Company; 5Rev Ed edition (1997)</p>			
Evaluation	<p>Continuous Internal Assessment: 20 marks End- Semester Theory Examination: 80 marks</p>			
Paper Structure for End Sem Theory	Module	No. of Questions to be Answered	No. of Alternatives	Marks
	Module 1	2	3	5 x 2 = 10
		2	3	15 x 2 = 30
	Module 2	2	3	5 x 2 = 10
		2	3	15 x 2 = 30
	Total Marks			80