

### Syllabus template

<b>Semester: II</b>	
<b>Course : ECONOMICS</b>	
<b>Paper Title: Introductory Macroeconomics</b>	
<b>Paper code: C1EC230211T</b>	<b>Credits: 4</b>
<b>Hours/week : 4 hours/week</b>	
<b>Category: Core/MDC/SEC/VAC : Core</b>	
<b>Theory / Practical / Composite: Theory</b>	
<b>No of Modules : 2</b>	
<p>Course Overview:</p> <ol style="list-style-type: none"> <li>1. To study the fundamental principles and concepts of macroeconomics and their relevance in understanding the functioning of an economy.</li> <li>2. To study the structure, operation, and key determinants of economic activity, emphasizing the factors that sustain and influence aggregate performance.</li> <li>3. To study the role of policy interventions, particularly fiscal and monetary policies, in achieving macroeconomic stability and growth.</li> <li>4. To study the measurement, estimation, and interpretation of macroeconomic variables within real-world contexts.</li> <li>5. To study the institutional and policy frameworks governing fiscal and monetary management in a developing economy.</li> <li>6. To study the behaviour of money, inflation, and their social and economic implications, linking theoretical understanding to practical economic issues.</li> </ol>	
<b>Course Outcome: Module I</b>	
1. To identify the fundamental concepts, scope, and analytical framework of macroeconomics and the key issues addressed within the discipline.	
2. To describe the structure and process of national income accounting, including the measurement of GDP, income–expenditure flows, price indices, and distinctions between real and nominal variables.	
3. To apply the principles of national income accounting to analyze macroeconomic relationships in an open economy and interpret the components of the balance of payments.	
4. To examine the functions and determinants of money, the quantity theory of money, and the mechanisms influencing money supply and demand.	
5. To evaluate the role and effectiveness of monetary policy instruments in influencing credit creation, price stability, and overall macroeconomic equilibrium.	
6. To assess the causes, dynamics, and social implications of inflation and hyperinflation within diverse macroeconomic contexts.	
<b>Course Outcome: Module II</b>	
1. To define the fundamental assumptions and analytical framework of the Classical and Keynesian systems of macroeconomic thought.	
2. To explain the mechanism of income determination under the simple Keynesian model, highlighting the role of aggregate demand and multiplier effects.	
3. To apply the IS–LM framework to illustrate the equilibrium between the goods and money markets under alternative economic conditions.	

	4. To analyze the real balance effect and its implications for equilibrium adjustment within the IS–LM model.			
	5. To evaluate the relative effectiveness of fiscal and monetary policy instruments in achieving macroeconomic stabilization.			
	6. To synthesize the Classical and Keynesian perspectives to develop an integrated understanding of income determination and policy coordination.			
<b>Prerequisites: <i>Basic knowledge about any prior course</i></b>				
<b>SYLLABUS</b>				
<b>Module I</b>	<b>CONTENT</b>	<b>HOURS or NUMBER OF CLASSES</b>	<b>CO Mapping</b>	<b>COGNITIVE LEVEL</b>
<b>Unit 1 Unit 2 Unit 3</b>	<b>Introduction to Macroeconomics and National Income Accounting:</b> 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 <b>Money:</b> Functions of money; quantity theory of money; determination of money supply and demand; credit creation; tools of monetary policy <b>Inflation:</b> Inflation and its social costs; hyperinflation	<b>2 Classes per week</b>	<b>CO1 CO2, CO3, CO4, CO5, CO6</b>	<b>K1, K2, K3, K4, K5, K6</b>
<b>Module II</b>	<b>The Closed Economy in the Short Run:</b> Classical and Keynesian systems; simple Keynesian model of income determination; IS-LM model; real balance effect, fiscal and monetary policy.	<b>2 Classes per week</b>	<b>CO1 CO2, CO3, CO4, CO5, CO6</b>	<b>K1, K2, K3, K4, K5, K6</b>
<b>Text Books</b>				
1. Dornbusch, Fischer and Startz, Macroeconomics, McGraw Hill, 11th edition, 2010.				
2. N. Gregory Mankiw. Macroeconomics, Worth Publishers, 7th edition, 2010.				
3. Richard T. Froyen, Macroeconomics, Pearson Education Asia, 2nd edition, 2005.				
4.				
<b>Suggested readings</b>				
1. John B. Hall and Robert E. Taylor, Macroeconomics, W.W. Norton & Company; 5Rev Ed edition (1997)				
2. Chandana Ghosh and Ambar Ghosh, Macroeconomics, PHI Learning Pvt. Ltd., 2011.				
3. Andrew B. Abel and Ben S. Bernanke, Macroeconomics, Pearson Education, Inc., 7 th edition, 2011				
<b>Evaluation : CIA: 30 (20+5+5)+ End Semester:70</b>				
<b>Paper Structure for Theory Semester Exam : Module 1: 3(out of 4)×5+ 2(out of 3)×10 Module 2: : 3(out of 4)×5+ 2(out of 3)×10</b>				

**Course outcomes (COs) and Cognitive Level Mapping**

<b>COs</b>	<b>CO Description</b>	<b>Cognitive levels</b>
<b>Module I</b>		
<b>CO1</b>	To identify the fundamental concepts, scope, and analytical framework of macroeconomics and the key issues addressed within the discipline.	K1
<b>CO2</b>	To describe the structure and process of national income accounting, including the measurement of GDP, income–expenditure flows, price indices, and distinctions between real and nominal variables	K2
<b>CO3</b>	To apply the principles of national income accounting to analyze macroeconomic relationships in an open economy and interpret the components of the balance of payments.	K3
<b>CO4</b>	To examine the functions and determinants of money, the quantity theory of money, and the mechanisms influencing money supply and demand.	K4
<b>CO5</b>	To evaluate the role and effectiveness of monetary policy instruments in influencing credit creation, price stability, and overall macroeconomic equilibrium.	K5
<b>CO6</b>	To assess the causes, dynamics, and social implications of inflation and hyperinflation within diverse macroeconomic contexts.	K6
<b>Module II</b>		
<b>CO1</b>	To define the fundamental assumptions and analytical framework of the Classical and Keynesian systems of macroeconomic thought.	K1
<b>CO2</b>	To explain the mechanism of income determination under the simple Keynesian model, highlighting the role of aggregate demand and multiplier effects.	K2
<b>CO3</b>	To apply the IS–LM framework to illustrate the equilibrium between the goods and money markets under alternative economic conditions.	K3
<b>CO4</b>	To analyze the real balance effect and its implications for equilibrium adjustment within the IS–LM model.	K4
<b>CO5</b>	To evaluate the relative effectiveness of fiscal and monetary policy instruments in achieving macroeconomic stabilization.	K5
<b>CO6</b>	To synthesize the Classical and Keynesian perspectives to develop an integrated understanding of income determination and policy coordination.	K6