

Syllabus template

Semester: III	
Course: ECONOMICS	
Paper Title: INTERMEDIATE MACROECONOMICS I	
Paper code: C2EC230321T	Credits: 4
Hours/week: 4 CLASSESS/WEEK	
Category: Core/MDC/SEC/VAC : CORE	
Theory / Practical / Composite: THEORY	
No of Modules: 2	
Course Overview:	
<ol style="list-style-type: none"> 1. To study the formal modelling of a macro-economy using analytical and theoretical tools. 2. To study the alternative theories of output and employment determination in a closed economy within the short-run and medium-run frameworks. 3. To study the role and effectiveness of macroeconomic policies in influencing output and employment levels. 4. To study the theoretical foundations and issues of open economy macroeconomics and their policy implications. 	
Course Outcome: Module 1	
<ol style="list-style-type: none"> 1. Define the key concepts related to aggregate demand, aggregate supply, and labour market equilibrium in macroeconomic analysis. 2. Explain the derivation of aggregate demand and aggregate supply and the alternative theoretical approaches to aggregate supply determination. 3. Apply the aggregate demand–aggregate supply framework to illustrate short-run and medium-run fluctuations in output and employment. 4. Analyze the interaction between inflation, unemployment, and expectations to understand macroeconomic trade-offs. 5. Evaluate the Phillips Curve in light of adaptive and rational expectations theories and assess their policy implications. 6. Develop a conceptual model integrating aggregate demand, aggregate supply, and expectations to explain the policy ineffectiveness debate. 	
Course Outcome: Module 2	
<ol style="list-style-type: none"> 1. Identify the components and structure of the Balance of Payments (BOP) and its accounting identity in an open economy. 2. Explain the condition of BOP equilibrium and its implications for macroeconomic stability in an open economy. 3. Apply the IS-LM-BP framework to demonstrate the attainment of internal and external balance under alternative exchange rate regimes. 4. Analyze the mechanisms of exchange rate determination and the interaction between monetary and fiscal policies in open economy settings 5. Evaluate the theoretical and empirical validity of the Purchasing Power Parity (PPP) hypothesis in explaining long-run exchange rate behaviour. 	

6. Formulate a simplified open economy model integrating BOP equilibrium, exchange rate dynamics, and policy effectiveness to address macroeconomic adjustments.				
Prerequisites: <i>Basic knowledge about any prior course</i>				
SYLLABUS				
Module	CONTENT	HOURS or NUMBER OF CLASSES	CO Mapping	COGNITIVE LEVEL
Module I	Aggregate Demand and Aggregate Supply Curves: Derivation of aggregate demand, labour market, alternative approaches to aggregate supply; interaction of aggregate demand and supply. Inflation, Unemployment and Expectations: Phillips curve; adaptive and rational expectations; policy ineffectiveness debate	2classes/week	CO1, CO2, CO3, CO4, CO5, CO6	K1, K2, K3, K4, K5, K6
Module II	Open Economy Models: Open Economy Models: Balance of Payments accounting identity and equilibrium, IS-LM-BP model under alternative exchange rate regimes; exchange rate determination; purchasing power parity;	2classes/week	CO1, CO2, CO3, CO4, CO5, CO6	K1, K2, K3, K4, K5, K6
Text Books				
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. Richard E. Caves, Jeffrey A. Frankel and Ronald W. Jones: <i>World Trade and Payments – An Introduction</i> ; 10th Edition, Pearson Addison Wesley.				
Suggested readings				
1. Andrew B. Abel and Ben S. Bernanke, <i>Macroeconomics</i> , Pearson Education, Inc., 7th edition, 2011.				
2. Soumyen Sikdar, <i>Principles of Macroeconomics</i> , Oxford University Press.				
Evaluation: CIA: 30 (20+5+5)+ End Semester:70				
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				

Course outcomes (COs) and Cognitive Level Mapping

COs	CO Description	Cognitive levels
Module I		
CO1	Define the key concepts related to aggregate demand, aggregate supply, and labour market equilibrium in macroeconomic analysis.	K1

CO2	Explain the derivation of aggregate demand and aggregate supply and the alternative theoretical approaches to aggregate supply determination.	K2
CO3	Apply the aggregate demand–aggregate supply framework to illustrate short-run and medium-run fluctuations in output and employment.	K3
CO4	Analyze the interaction between inflation, unemployment, and expectations to understand macroeconomic trade-offs.	K4
CO5	Evaluate the Phillips Curve in light of adaptive and rational expectations theories and assess their policy implications.	K5
CO6	Develop a conceptual model integrating aggregate demand, aggregate supply, and expectations to explain the policy ineffectiveness debate.	K6
Module II		
CO1	Identify the components and structure of the Balance of Payments (BOP) and its accounting identity in an open economy.	K1
CO2	Explain the condition of BOP equilibrium and its implications for macroeconomic stability in an open economy.	K2
CO3	Apply the IS-LM-BP framework to demonstrate the attainment of internal and external balance under alternative exchange rate regimes.	K3
CO4	Analyze the mechanisms of exchange rate determination and the interaction between monetary and fiscal policies in open economy settings	K4
CO5	Evaluate the theoretical and empirical validity of the Purchasing Power Parity (PPP) hypothesis in explaining long-run exchange rate behaviour.	K5
CO6	Formulate a simplified open economy model integrating BOP equilibrium, exchange rate dynamics, and policy effectiveness to address macroeconomic adjustments.	K6