

**UNIVERSITY OF DELHI  
DELHI SCHOOL OF ECONOMICS  
DEPARTMENT OF ECONOMICS**

**Minutes of Meeting**

**Subject** B.A. (Hons) Economics Second Semester (CBCS)  
**Course** 03 (Introductory Macroeconomics)  
and  
Generic Elective (GE) Course II (Introductory Macroeconomics)  
**Date:** Monday 9<sup>th</sup> January 2017  
**Venue** Department of Economics, Delhi School of Economics, University of Delhi  
**Convenor** Professor Shreekant Gupta

**Attended by:**

- |                         |  |
|-------------------------|--|
| 1. Kamlesh Aggarwal     | Shyama Prasad Mukherjee College            |
| 2. Aditi A. Bansal      | Shaheed Bhagat Singh College               |
| 3. Supriti Mishra       | Shyam Lal College                          |
| 4. Amrat Lal Meena      | Moti Lal Nehru College                     |
| 5. Dipavali Debroy      | Shri Guru Gobind Singh College of Commerce |
| 6. Gurpinder Kaur       | Shaheed Bhagat Singh College               |
| 7. Anita Balani         | Hansraj College                            |
| 8. Daisy Sales          | Jesus & Marry College                      |
| 9. Nidhi Pande          | Delhi College of Arts & Commerce           |
| 10. Chander Kanta       | PGDAV College                              |
| 11. Kapila Mallah       | Hansraj College                            |
| 12. Manichandra Singh   | Aryabhata College                          |
| 13. Deepashree          | Shri Ram College of Commerce               |
| 14. Nalini Panda        | I.P. College                               |
| 15. A J C Bose          | Shri Ram College of Commerce               |
| 16. Nidhi Dhamija       | Hindu College                              |
| 17. Taruna Rajora       | Dyal Singh College (M)                     |
| 18. Sonika              | Daulat Ram College                         |
| 19. Chaitanya Pr. Garia | Dyal Singh College                         |
| 20. Saraswati           | ARSD College                               |
| 21. Malini Sharma       | Daulat Ram College                         |
| 22. Anita               | Kalindi College                            |
| 23. Shantanu Sarkar     | Miranda House College                      |
| 24. Rakhi               | Lakshmibai College                         |
| 25. Harikesh Maurya     | Lakshmibai College                         |
| 26. Atif Rabbani        | Zakir Hussain College                      |
| 27. Amit Kumar          | IP College                                 |
| 28. Kakali Barua        | Lady Shri Ram College                      |
| 29. Stuti Gupta         | Shyal Lal College (E)                      |
| 30. Sunita Meena        | Miranda House                              |

31. Abhash Kumar	Rajdhani College
32. Rashmi Sharma	Delhi College of Arts & Commerce
33. Varun Bhushan	PGDAV (M)
34. Shailesh Kumar	Bharati College
35. Ravish	Atma Ram Sanatan Dharm College
36. Piyush Bhadani	Maharaja Agrasen College
37. Yuthika Agarwal	Maitreyi College
38. Pragya Nayyar	SGTB Khalsa College
39. Sakshi Goel	Janki Devi Mahavidalaya
40. Bijoyta Yonzon	Janki Devi Mahavidalaya
41. Divya Gupta	Daulat Ram College
42. Bhumika Bhavnani	Shivaji College
43. D. Appala Naidu	Sri Venkateswara College
44. P. Srinivasa Rao	Sri Venkateswara College

Suggested number of lectures: Unit 1 - approximately 15; for Units 2 and 3 together – approximately 20; for Unit 4 - approximately 25.

### Readings:

A. Abel, B. Bernanke and D. Croushore (2014). *Macroeconomics* (8<sup>th</sup> edition), Pearson Education.

N. Gregory Mankiw (2013). *Macroeconomics* (8<sup>th</sup> edition). [page numbers below refer to the International edition.]

O. Blanchard (2006). *Macroeconomics* (6<sup>th</sup> edition).

R. Dornbusch, S. Fischer and R. Startz. *Macroeconomics* (11<sup>th</sup> edition).

To the extent possible data from the Indian economy such as those in the Economic Survey, RBI, etc. should be used to illustrate concepts in the topics below.

### Topic-wise Readings:

#### Unit 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.

- (i) Abel, Bernanke and Croushore: Chapters 1, 2 and section 5.1 (pp. 169-177). Instead of Table 5.1 in book use Economic Survey 2015-16 vol 2, ch. 4, pp.78-82 (esp. Table 4.3): <http://indiabudget.nic.in/es2015-16/echapvol2-04.pdf>
- (ii) National Accounts Statistics: Sources and Methods, CSO, Government of India, 2012; Chapters 2,3,4 and 8. [http://sdp.gov.in/writereaddata/sources\\_method\\_2012.pdf](http://sdp.gov.in/writereaddata/sources_method_2012.pdf)

[Numericals will be based on definitions in reading (i)]

## **Unit 2. Money**

Functions of money; quantity theory of money; determination of money supply and demand; credit creation; tools of monetary policy.

- (i) Mankiw: section 4.1 (pp. 79-85) and section 5.1 (pp. 100-106).
- (ii) Blanchard: Chapter 4.

## **Unit 3. Inflation**

Inflation and its costs; hyperinflation.

- (i) Mankiw: Chapter 5, sections 5.2-5.7 (pp. 99-100; pp. 107-126).
- (ii) Blanchard: Chapter 23.
- (iii) Economic Survey 2015-16 Volume 2, chapter 5, pp.89-97:  
<http://indiabudget.nic.in/es2015-16/echapvol2-05.pdf>

## **Unit 4. The Closed Economy in the Short Run**

Classical and Keynesian systems; simple Keynesian model of income determination; IS-LM model; fiscal and monetary multipliers.

- (i) Mankiw: Chapter 3 (except pp. 56-67, do case study on p. 56); ch. 10 (pp. 282-298).
- (ii) Dornbusch, Fischer and Startz: Chapters 9, 10, and chapter 11.1-11.3 (pp. 250 -271).

Useful sources for data on the Indian economy:

1. Economic Survey: [http://indiabudget.nic.in/vol2\\_survey.asp](http://indiabudget.nic.in/vol2_survey.asp)
2. RBI Handbook of Statistics on the Indian Economy: <https://dbie.rbi.org.in/https://www.rbi.org.in/SCRIPTS/AnnualPublications.aspx?head=Handbook%20of%20Statistics%20on%20Indian%20Economy>
3. RBI Database on the Indian Economy: <https://dbie.rbi.org.in/DBIE/dbie.rbi?site=home>

### **Assessment:**

1. Internal evaluation will comprise 2 class tests (10 marks each) and 5 marks for attendance.
2. The end semester exam (75 marks) will comprise numericals and other questions.

It was also agreed future meetings should be held in the previous semester shortly after dispersal of classes.