UNIVERSITY OF DELHI
DELHI SCHOOL OF ECONOMICS
DEPARTMENT OF ECONOMICS

Minutes of Meeting

Subject : B.A. (Hons) Economics
Course : 04 (Introductory Macroeconomics)
Date of Meeting: 14.12.2012 (Friday), 11:30 am
Venue : Department of Economics, Delhi School of Economics, University of Delhi
Convenor : Mausumi Das

Attended by:

1. Basanti Kumari Nayak, Satyawati College
2. Supriti Mishra, Shyam Lal College
3. Chhavi Gautam, Kamla Nehru College
4. Lokendra Kumawat, Ramjas College
5. Rashmi Mittal, Dyal Singh College
6. Reetika Rana, Shivaji College
7. Punam Tyagi, Kalindi College
8. Aditi Aeron Bansal, Shaheed Bhagat Singh College
9. Vandana Sethi, Motilal Nehru College
10. Nidhi Dhamija, Hindu College
11. Ranjan, A.R.S. D. College
12. Rashmi Sharma, Delhi College of Art & Commerce
13. Aruna, Sri Venkateshwara College
14. Akhilesh Kumar Yadav, Satyawati College
15. Jayesh Adeshra, Shaheed Bhagat Singh College
16. Shailja Gupta, Zakir Husain College
17. Anand Kumar, College of Vocational Studies
18. Savita Singh, Deshbandhu College
19. Manjit Kaur, S.P.M. College

The following changes were agreed upon:

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

Topic-wise Readings:

Unit1. 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 open economy, balance of payments accounts, current and capital accounts
Readings:
   (i) A. Abel, B. Bernanke and D. Croushore (2011; 7th edn), Chs, 1 & 2.
   (ii) P. Krugman and M. Obstfeld (2009; 8th edn.), Ch 12, **pages 293-316 only**.

**Unit 2. Money**
Functions of money; quantity theory of money; determination of money supply and demand; credit creation; tools of monetary policy
Readings:
   (i) N. G. Mankiw (2007, 6th edn), Section 4.1 only.
   (ii) R. Froyen, (2005, 8th edn), Section 4.1 only.
   (iii) O. Blanchard (2006, 6th edn), Ch.4

**Unit 3. Inflation**
Inflation and its costs; hyperinflation
Readings:
   (ii) O. Blanchard (2006, 6th edn), Ch.23

**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
Readings:
   (i) R. Froyen, (2005, 8th edn.), Chs. 3 and Sections 4.2-4.4
   (ii) R. Dornbusch and S. Fischer (1994, 6th edn), Chs. 3, 4, and Sections 5.1-5.3. O. Blanchard (2006, 6th edn), Ch.23

**Assessment:**
1. The internal evaluation will consist of two class tests of 10 marks each, with 5 marks being allocated for attendance.
2. The End-semester/Final Examination (75 marks) will have the following format:
The question paper should have total **three** questions, carrying equal marks, with the following distribution across topics: **one** question from Unit 1; **one** question from Units 2& 3 together; and **one** question from Unit 4. Each question should have internal choices. Question could be mathematical in nature.