UNIVERSITY OF DELHI
DELHI SCHOOL OF ECONOMICS
DEPARTMENT OF ECONOMICS

Minutes of Meeting

Subject:  B.A. (Hons) Economics
Course:  12 (Intermediate Macroeconomics-II)
Date of Meeting:  14 December, 2012; 2:30 pm
Venue:  Department of Economics, Delhi School of Economics, University of Delhi
Convenor:  Mausumi Das

Attended by:
1. Anshu Chopra, Shivaji College
2. Rajiv Jha, SRCC
3. Jayesh Adeshra, Bhagat Singh College
4. Sarvesh Bandhu, SRCC
5. Archana Aggarwal, Hindu College
6. Prarthna Agarwal Goel, Kalindi College
7. Anup Chatterjee, ARSD College
8. Lokendra Kumawat, Ramjas College
9. Dolly Narula, PGDAV

The following texts were agreed upon:

Readings:


Topic wise Readings:

1. Economic Growth
*(Approx. number of lectures: 12)*
Harrod model; Solow model; golden rule; technological progress and elements of endogenous growth.
Readings:
1. A. Sen (ed.): Growth Economics, Introduction, pages 9-14 only. (Notice: book out of print. Scanned copy of the relevant pages will be made available at the DSE website)
2. Mankiw: Macroeconomics (7th ed.), Ch.s 6 & 7
3. Jones : Introduction to Economics Growth (2nd ed.), Ch.s 4 & 5

2. Microeconomic Foundations
(Approx. number of lectures: 24)

A. Consumption
Keynesian consumption function; fisher’s theory of optimal intertemporal choice; life-cycle and permanent income hypotheses; rational expectations and random-walk of consumption expenditure.

Readings:
2. Mankiw, Macroeconomics (6th ed.), Ch. 15 (pp 441-447) and ch 16.

B. Investment
Determinants of business fixed investment; residential investment and inventory investment.

Readings:

C. Demand for Money
Interest sensitivity of money demand function; Baumol’s, Tobin’s and Friedman’s approach to money demand.

Readings:
1. Gordon, Macroeconomics (12th ed), chapter 13 (section 13.5 only).

3. Fiscal and Monetary Policy
(Approx. number of lectures: 12)
Active or passive; monetary policy objectives and targets; rules versus discretion: time consistency; the government budget constraint; government debt and Ricardian equivalence, Finance Systems & Regulation of Financial sectors; Financial Crises & Regulatory response.

Readings:

4. Schools of Macroeconomic Thoughts
(Approx. number of lectures: 12)
Classicals; Keynesians; New-Classicals and New-Keynesians.

Readings:

**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 Examination (75 marks) will have the following format:
   The question paper should have total **five** questions (of equal marks) with the following distribution across topics: 1 question from topic 1, 2 questions from topics 2A, 2B and 2C together, 2 questions from topics 3 and 4 together.