

**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:** 8.12.14(Monday),2:30 pm  
**Venue** : Department of Economics, Delhi School of Economics, University of Delhi  
**Convenor** : Dr. Mausumi Das

**Attended by:**

1	A.J.C. Bose	SRCC
2	Sunita Meena	Miranda House
3	Puman Tyagi	Kalindi College
4	Shailza Gupta	Zakir Husain College
5	Malini Sharma	Daulat Ram College
6	Deepti Sethi	Janki Devi Memorial College
7	Stuti Gupta	Shyam Lal College (E)
8	Bindu Oberoi	IP College
9	Sanjeev Grewal	St. Stephen's College
10	Akhilesh Kr. Yadav	Satyawati College (E)
11	Nidhi Dhamija	Hindu College
12	Rawjan Swarnakar	A.R.S.D. College
13	Aradhana Nanda	SGGS College of Commerce
14	Alok Dash	Ramjas College
15	Priya Saxena	Shivaji College
16	Saraswati	A.R.S.D. College

**The following changes were agreed upon:**

A CSO document has been added to the reading list for Unit 1 - which gives the students an idea about the National Income Accounting methods for India. Conceptual questions can be asked from this reading.

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; 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

Readings:

- (i) A. Abel, B. Bernanke and D. Croushore (2011; 7<sup>th</sup>edn), Chs, 1 & 2.
- (ii) P. Krugman and M. Obstfeld (2009; 8<sup>th</sup>edn.), Ch 12, **pages 293-316 only.**
- (iii) NATIONAL ACCOUNT STATISTICS: Sources and Methods, CSO, Government of India, 2012; Chapters 2,3,4 and 8. (Pdf copy of the reading would be put up at the DSE website).

## **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, 6<sup>th</sup>edn), **Section 4.1 only.**
- (ii) R. Froyen, (2005, 8<sup>th</sup>edn.), **Section 4.1 only.**
- (iii) O. Blanchard (2006, 6<sup>th</sup>edn), Ch.4

## **Unit 3. Inflation**

Inflation and its costs; hyperinflation

Readings:

- (i) N. G Mankiw (2007, 6<sup>th</sup>edn), Sections 4.1 -4.8.
- (ii) O. Blanchard (2006, 6<sup>th</sup>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, 8<sup>th</sup>edn.), Chs. 3 and Sections 4.2-4.4
- (ii) R. Dornbusch and S. Fischer (1994, 6<sup>th</sup>edn), Chs. 3, 4, and Sections 5.1-5.30. Blanchard (2006, 6<sup>th</sup>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.