Minutes of Meeting

Subject : B.A. Programme Economics
Course : 03 – Principles of Macroeconomics - I
Date of Meeting : 5th May, 2016 at 3.00 P.M.
Venue : Department of Economics, Delhi School of Economics
         University of Delhi, Delhi – 110 007
Chair : Dr. Mausumi Das

Attended by :

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<tr>
<th>S. No.</th>
<th>Name of Teacher</th>
<th>College</th>
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<tr>
<td>1</td>
<td>Baishakhi Mondal</td>
<td>IP College (w)</td>
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<td>2</td>
<td>Divya S. Gupta</td>
<td>Mata Sundri college</td>
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<td>3</td>
<td>Puja Pal</td>
<td>Janki Devi Memorial College</td>
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<td>4</td>
<td>Kittu Kapoor</td>
<td>Mata Sundari College (W)</td>
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<td>5</td>
<td>Sujit Kumar</td>
<td>SVC</td>
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<td>6</td>
<td>Sushant Kr. Singh</td>
<td>LSR College</td>
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<td>7</td>
<td>Subansh Prasad Singh</td>
<td>Sri Aurobindo College (M)</td>
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<td>8</td>
<td>Anjali Agarwal</td>
<td>MLNC(E)</td>
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<td>9</td>
<td>Anil Kumar</td>
<td>Ramjas College</td>
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No changes have been made in the reading list from the last year. However, it has been decided that in the end-semester exam, paper setters may ask numerical questions.

The references and the topic-wise readings for the current semester are as follows:

Reference:

2. Soumyen Sikdar (2006), Principles of Macroeconomics, Oxford University Press.(For reference only)

Topicwise Readings:

Topic 1. Introduction
What is macroeconomics? Macroeconomic Issues in an economy.

Reading:
Case & Fair (2007, 8th ed.), Chapter 18, pp 399-410 (Boxes on “Further
Exploration” on pages 401 and 405 may be avoided)

**Topic 2: National Income Accounting**
Concepts of GDP and National Income; measurement of national income and related aggregates; nominal and real GDP; limitations of the GDP concept.

Reading:
*Case & Fair (2007, 8th ed.), Chapter 19, pp 417-433 (Box on “Further Exploration” on page 422 may be avoided)*

**Topic 3: Determination of GDP**
Actual and potential GDP; aggregate expenditure; consumption function; investment function; equilibrium GDP; concepts of MPS, MPC; autonomous expenditure; concepts of multiplier.

Reading:
*Case & Fair (2007, 8th ed.), Chapter 21, pp 455-477 (Box on “News Analysis” on page 468 may be avoided; Box on “Further Exploration” (The Paradox of Thrift) on page 473 is included)*

**Topic 4: National Income Determination with Government and in an Open Economy**
Fiscal policy; impact of changes in government expenditure and taxes; net exports and equilibrium national income.

Reading:
*Case & Fair (2007, 8th ed.), Chapter 22, pp 479-490 and Appendices A&B; Chapter 34, pp. 721 -730*

**Topic 5: Money in a Modern Economy**
Concept of money in a modern economy; monetary aggregates; demand for money; quantity theory of money; liquidity preference and rate of interest; money supply and credit creation; monetary policy.

Reading:
*Case & Fair (2007, 8th ed.), Chapter 23, pp 501-511, and Chapter 24, pp. 525-537 (Boxes on “News Analysis” on page 503 and 528 may be avoided; Box on “Further Exploration” on page 531 is included)*

**Assessment:**

**Internal Evaluation:** There will be two class tests of 10 marks each and 5 marks for attendance.

**End Semester Exam:** Students will be required to answer 5 questions (15 marks each) out of 8. There will be one compulsory question (15 marks) comprising short notes having internal choice which would cover the entire course. Students will also be required to answer 4 out of the remaining 7 questions (15 marks each). Among these 7 questions there will be at least one question from each topic. **Numerical questions may be asked.**