

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

**Minutes of Meeting**

**Subject:** B.A. (Hons) Economics Second Semester  
**Course:** **ECON004** Introductory Macroeconomics  
(Honours course only)  
**Credits:** 4  
**Duration (per week):** 4 hours (3 L + 1 T)  
**Date:** Thursday 9<sup>th</sup> March 2023  
**Venue:** Department of Economics, Delhi School of Economics,  
University of Delhi  
**Convenor:** **Dibyendu Maiti**

**Sub-committee:**

Nidhi Dhamija  
Aradhana Nanda  
Ashwani Kumar

**Attended by:**

Name of Teacher

Pawan Kumar

Yogita Yadav

Anu Singh Deswal

Deepika Goel

Shweta Nanda

Dr Renu Kumari Verma

Ajay Kumar

ANUJ KUMAR

Gurpinder kaur

D Appala Naidu

SARWESHWAR KUMAR GAUTAM

Ankur Bhatnagar

Aishwarya

Arun Kumar

Pooja Sharma

Kanika Aggarwal

Yogita Yadav

Rakesh Kumar

Shubhi Singh

Paramjeet Kaur

Ramesh kumar

Amrat Lal Meena

Anjana Singh

Surabhi Gupta

Name of College

Ramjas College

Sri Venkateswara College

Jesus and Mary College

Aryabhatta college

ARSD

Motilal Nehru College Evening

Kamala nehru college

Satyawati College(E)

Shaheed Bhagat Singh College

ARSD College, University of Delhi

Satyawati College

Satyawati College

Gargi College

DCAC

Daulat Ram College

Shri Ram college of commerce

Sri Venkateswara College

Dyal Singh College

Lady Shri Ram College for Women

Sri Guru Gobind Singh College of Commerce

BNC

Amrat Lal Meena

Lady Shri Ram College

Lady Shri Ram College for Women

R. AHALYA  
Kanupriya  
Arjun  
Sukhvinder Kaur  
Aakriti Saini  
Saumya Shukla  
UTTAM KUMAR  
Mohini Aggarwal  
Sonika  
Aruna Rao  
Rupa Basu  
Saraswati  
Nidhi Dhamija  
Tanu  
Bijoyata Yonzon  
Supriti Mishra  
Archi Bhatia  
Aradhana Nanda  
Ashwani Kumar

DAULAT RAM COLLEGE  
Sri Aurobindo College (Day)  
Shivaji college  
Sri Guru Nanak Dev Khalsa College  
Daulat Ram College  
Maharaja Agrasen College  
ARSD COLLEGE  
Rajdhani College  
SPM COLLEGE FOR WOMEN  
Sri Venkateswara College  
Kamala Nehru College  
ARSD college  
Hindu College  
Delhi College of Arts and Commerce  
Janki Devi Memorial College  
Shyam lal college  
Ramjas College  
Sggs college of commerce  
SRCC

### **Learning Objectives**

- To introduce students to the basic concepts of macroeconomics
- To discuss the preliminary concepts associated with determining and measuring aggregate macroeconomic variables like GDP, savings, investment, money, inflation, unemployment and the balance of payments.
- To introduce the simple analytical framework (e.g., the IS-LM Model) for analysing the relationships among key macroeconomic variables.

### **Learning Outcomes**

- The students would be able to familiarise the broad macroeconomic concepts like GDP, inflation, money supply, interest rate and their inter-linkages and their interrelationships.
- By studying the course, the students will be able to critically evaluate various macroeconomic policies and their effects on output and interest rates in the economy.

### **Suggested number of lectures:**

Unit 1: **10 hours**

Unit 2: **10 hours**

Unit 3: **11 hours;**

Unit 4: **14 hours.**

### **Readings:**

1. Andrew B. Abel, Ben S. Bernanke and Dean Croushore (2011). *Macroeconomics*, 7<sup>th</sup> edition, Pearson.
2. Oliver Blanchard and David R. Johanson (2013). *Macroeconomics*, 6<sup>th</sup> edition, Pearson
3. Richard T. Froyen (2013). *Macroeconomics: Theories and Policies*, 10<sup>th</sup> edition, Pearson.
4. Rudiger Dornbusch, Stanley Fischer and Richard Startz (2011). *Macroeconomics*, 11<sup>th</sup> edition, McGraw-Hill.

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.

**Latest Economic Survey should be used.**

### **Topic-wise Readings:**

#### **Unit 1. Introduction to Macroeconomics and National Income Accounting (10 hours)**

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: Chapter 1 (Sections 1.1 and 1.3), Chapter 2 and 5 (upto Section 5.1 - pp. 165-176). Instead of Table 5.1 in book **use latest Economic Survey 2022-23, Table 5.2 (p. 92-95)**

National Accounts Statistics: Sources and Methods, CSO, Government of India,  
**[Optional]**

#### **Unit 2. Money (10 hours)**

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

(i) Abel, Bernanke and Croushore: Chapter 7 (Section 7.1)

(ii) Froyen: Chapter 4 (Section 4.1- till page 70)

(iii) Blanchard: Chapter 4

#### **Unit 3. Simple Theory of Income Determination (11 hours)**

Classical and Keynesian systems; simple Keynesian model of income determination.

(i) Froyen: Chapter 3, Chapter 4 (Section 4.1 - pages 70, 71, 72, Sections 4.2 - 4.4)

(ii) Dornbusch, Fischer and Startz: Chapter 9

#### **Unit 4. IS-LM Analysis and Aggregate Demand (14 hours)**

Derivation of the IS-LM Curves; fiscal and monetary multipliers; derivation of aggregate demand.

(i) Dornbusch, Fischer and Startz: Chapters 10, Chapter 11 (Section 11.4 is optional).

#### **Useful sources for data on the Indian economy:**

1. Economic Survey: <https://www.indiabudget.gov.in/economicsurvey/>
2. RBI Handbook of Statistics on the Indian Economy: <https://www.rbi.org.in/SCRIPTS/AnnualPublications.aspx?head=Handbook%20of%20Statistics%20on%20Indian%20Economy>

#### **Assessment:**

1. Internal Assessment (IA): **30 marks** - one class test, another test or presentation (12 marks each), and six marks for attendance.
2. Continuous Assessment (CA): **40 marks** - projects, presentations etc. (35 marks) and 5

marks for attendance.

3. The end semester exam: **90 marks** will comprise numerical and other questions.

**Suggested Weightage for each unit in the final examination**

Unit 1 - 20 marks

Unit 2 - 20 marks

Unit 3 - 20 marks

Unit 4 - 30 marks