Programme: M. A. Economics

Course Code: ECC 112   **Title of the Course:** Macroeconomics-1

Number of Credits: 4   **Total Contact Hours:**48

Effective from AY: 2018-19

Prerequisites for the course:	Nil	
Objective:	To understand the role of effective demand in determining employment, output and interest rates.	Contact Hours
Content:	1. **National Accounts System:** UN system of accounts, India's Accounting system, Green Accounting	**6**
	2. **Classical System:** Classical model introduction – Employment, labour, supply – Equilibrium output and employment Money prices and interest under classical system –	**12**
	3. **Keynesian system**: Simple Keynesian Model – Equilibrium income and changes in equilibrium income. Consumption function &. Investment function IS-LM model Policy effects on IS-LM model. Open Economy Macroeconomics (Mundell-Fleming model).	**16**
	4. **Monetarists, New Classical Economics and New Keynesian**: Restatement of quantity theory, National Rate of Unemployment Theory-- Philips Curve – short run and long run, Rational Expectations Theory. New Keynesian Model – Sticky price, efficiency wage and Insider – Outsider model.	**7**
	5. **Convergence & New Growth Theories:** Logic of convergence and explanations of why different countries grow at different rates. Empirical evidence. Endogenous Growth Models of Human Capital, Endogenous Technology and Product, Innovation- Increasing Returns to Scale.	**7**
Pedagogy:	1. Chalk and talk aided by power-point lectures 2. PC lab exercises 3. Assignments and presentations 4. Group activity 5. MOOC (or similar) Component	
References/Read	• Charles Jones 2014, Macroeconomics, W.W. Norton.	

ings	• N. Gregory Mankiw, 2015, Macroeconomics Macmillan • R. Dornbusch, S. Fishser, R.Startz, 2010, Macroeconomics Mcgraw Hill • R.T. Froyen (2014) Macroeconomics: Theories and Policies, Pearson • Frederic S. Mishkin, 2016,Macroeconomics: Policy & Practice. Pearson	8
Learning Outcomes	By the end of the course, successful students are expected to understand how critical macroeconomic variables like income, employment, and prices are determined and what are the factors that influence them.	