

Course Title: Macro Economic Analysis

Course Code: 102

1. Macroeconomics: An Introduction

Macroeconomics As A Branch Of Economic Analysis, Macroeconomic Concepts, Objectives & Issues ,The Circular Flow Of Income- Withdrawals & Injections, Savings& Investments, Imports & Exports, Taxes & Government Expenditure

(2 hours)

2. National Income Accounting

Meaning And Importance of National Income Accounts, Concepts in National Income Accounting, Measuring National Income and Output, Hurdles in Measuring National Income

(5 hours)

GNP Deflator

3. Theories of Business Cycles

Real Business Cycle, Types of Business Cycles, Theories- Schumpeter theory of Innovation, Hawtrey's theory, Keynes theory

(5

hours)

4. Inflation & Unemployment

Types of inflation, Causes and effects of inflation and remedial measures, Phillips Curve Friedman's View: The Long-Run Phillips Curve, Policy Implications of Philips Curve

Long Run Macro Economic Policy, Short Run Macro Economic Policy **(10**

hours)

5. Classical Model

Labour Market, Goods Market, Bond and Asset Market, Money Market, Say's Law of Markets

Keynes Criticisms, Wicksell's Elaboration of the Quantity Theory, Fiscal and Monetary Policy under Classical System, Keynes criticisms of classical model

(12 hours)

6. Keynesian Model

The Consumption Function-Components & Determinants

Saving Function

Multiplier

Short Run and Long Run Consumption Function

Duesenberry's Relative Income Hypothesis, Friedman's Income Determination Model, Keynes Consumption, Government Sector, Effects Of Changes In Fiscal Policy, Budget

hours)

7. IS- LM Analysis:

The Goods Market and the IS Curve, Interest Rate and Accelerated Demand: The IS

Role of Multiplier, Change in Government Spending, the Money Market and the LM Curve, Equilibrium in the Goods and Money Market, Stabilization Policies with IS-LM Framework, Keynes Contribution, Balanced Budget Multiplier, Role of Taxes, Imports, Paradox of Thrift, Inflationary Gap

(11 hours)

Recommended Books

D.N.Dwivedi, Macroeconomics theory and policy

Dornbusch Rudiger, Macroeconomics

Errol Dsouza, Macroeconomics

Branson & Branson, Macroeconomics

Mankiw, Introductory Macroeconomics