

Integrated Economics , Semester IV

Core Economics Course 9: INTERMEDIATE MACROECONOMICS – II

Course Code: Course Code: IGECO-C402

Credits: 06

Course Description

This course is a sequel to Intermediate Macroeconomics I. In this course, the students are introduced to the long run dynamic issues like growth and technical progress. It also provides the micro-foundations to the various aggregative concepts used in the previous course.

Course Outline

Unit 1. Economic Growth

Harrod-Domar model; Solow model; technological progress and elements of endogenous growth.

Unit 2. Microeconomic Foundations

Consumption: Keynesian consumption function; life-cycle and permanent income hypotheses; rational expectations. Investment: determinants of business fixed investment; residential investment and inventory investment.

Unit 3. Fiscal and Monetary Policy

Monetary policy: objectives, targets and instruments; rules versus discretion; the government budget constraint; government debt and Ricardian equivalence.

Unit 4. Schools of Macroeconomic Thoughts

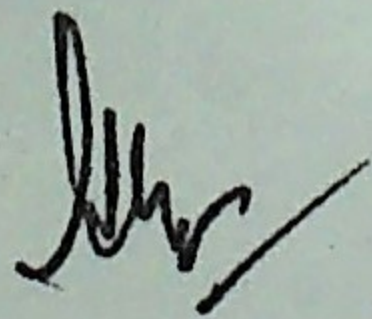
Classicals; Keynesians; New-Classicals and New-Keynesians.

Unit 5. Tutorial 1

- a) Group discussion: different topics related to course content
- b) Presentations: different topics related to course content
- c) Class test

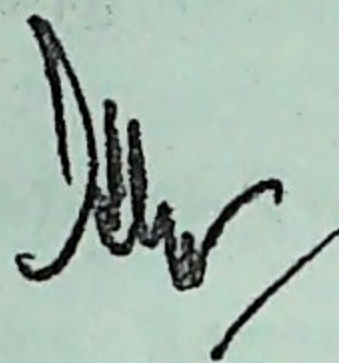
Unit 6. Tutorial 2

- a) Home Assignment
- b) Viva Voce



Readings:

1. Dornbusch, Fischer and Startz, Macroeconomics, McGraw Hill, 11th edition, 2010.
2. N. Gregory Mankiw. Macroeconomics, Worth Publishers, 7th edition, 2010.
3. Olivier Blanchard, Macroeconomics, Pearson Education, Inc., 5th edition, 2009.
4. Charles I. Jones, Introduction to Economic Growth, W.W. Norton & Company, 2nd edition, 2002.
5. Andrew B. Abel and Ben S. Bernanke, Macroeconomics, Pearson Education, Inc., 7th edition, 2011.
6. Errol. D'Souza, Macroeconomics, Pearson Education, 2009.
7. Robert J. Gordon, Macroeconomics, Prentice-Hall India Limited, 2011.

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