

Discipline Specific Core



University of Kerala

Discipline	ECONOMICS				
Course Code	UK4DSCECO200				
Course Title	MACROECONOMICS-I				
Type of Course	DSC				
Semester	IV				
Academic Level	200 – 299				
Course Details	Credit	Lecture per week	Tutorial per week	Practical per week	Total Hours/Week
	4	4 hours	-	-	4
Pre-requisites	Understanding of basic issues in Macroeconomics				
Course Summary	This course is designed to give a systematic introduction to mainstream approaches to the study of macroeconomics. The course begins by familiarizing students with the various important macroeconomic variables and their measurement techniques. Then the course proceeds on a systematic overview of the important macroeconomic theories.				



Detailed Syllabus:

Module	Unit	Content	Hrs
I	Title of the Module - National Income Accounting		10
	1	National Income Accounts: GDP – National Income – Personal and Disposable Personal Income; National Income Accounting Identities.	
	2	Issues in National Income Accounting - Real vs. Nominal GDP - Cost of Living Index: GDP deflator, WPI & CPI.	
II	Title of the Module- Classical and Keynesian Macroeconomics		10
	3	The Classical Revolution – Aggregate Demand - Aggregate Supply- Determination of Equilibrium Output and Employment. The Quantity theory of money (Fisher’s and Cambridge versions) – The Classical Theory of the Interest Rate.	
	4	The Simple Keynesian Model: The Components of Aggregate Demand. Determining Equilibrium Income. Fiscal Stabilization Policy. Exports and Imports in the Simple Keynesian Model. Multiplier – Static and Dynamic.	
III	Title of the Module – Closed Economy in the short run		15
	5	The goods market and derivation of the IS curve; real influences and Shift in IS schedule; the money market and derivation of the LM curve; monetary influences and the shift in the LM curve; determination of equilibrium income and interest in the IS-LM framework.; the relative efficacy of fiscal and monetary policy under IS-LM framework; Critiques of IS-LM.	
IV	Title of the Module-Theories of Consumption and Investment		15
	6	Consumption: Keynesian Consumption Function, Kuznets Consumption Puzzle, Absolute Income Hypothesis, Relative Income Hypothesis	
	7	Friedman’s Permanent Income, Modigliani’s Life Cycle Hypothesis, Investment: The Neoclassical Theory of Investment;	



		Residential Investment; The Accelerator Theory of Investment	
V	Title of the Module:- Analytical Exercises		10
		<ol style="list-style-type: none"> 1. Estimate different measures of national income such as GDP, GNP, and GVA using the RBI database. DBIE (rbi.org.in) 2. Estimate trends and components of India's inflation from the RBI database. 	

Essential Readings

1. Froyen R (2014) Macroeconomics: Theories and Policies (10th ed.), Pearson Education
2. Andrew B. Abel and Ben S. Bernanke, Macroeconomics, Pearson Education, Inc., 7th edition, 2011

Additional Reading List

1. Mankiw, N. G, Macroeconomics, Worth Publishers, 7th edition, 2010.
2. Dornbusch, R., Fischer, S. and Startz, R., Macroeconomics, McGraw Hill, 12th edition, 2014
3. Diulio, Eugene (2011) Macroeconomic Theory, Shaum's Outline series. Tata McGraw Hill
4. Blanchard, O., Macroeconomics, Pearson Education, Inc., 5th edition, 2009.
5. Sheffrin, Steven M., Rational Expectations, Cambridge University Press, 2nd edition, 1996.
6. Abel, A. B. and Bernanke, B. S., Macroeconomics, Pearson Education, Inc., 7th edition, 2011.
7. Froyen, R.T. Macroeconomics, Pearson Education Asia, 2nd edition, 2005.
8. Chandana Ghosh and Ambar Ghosh, Macroeconomics, Second edition, EEE, 2021.

Course Outcomes

No.	Upon completion of the course, the graduate will be able to	Cognitive Level	PSO addressed
CO-1	Analyse the concept of National Income Accounting on various real-world situations	R, U, Ap, An	PSO-1
CO-2	Interpret the mainstream approaches to the study of Macroeconomics	R, U, Ap, An, Ev	PSO-1,3
CO-3	Analyse the simultaneous equilibrium in the goods and money market through IS LM tools and suggest suitable policy measures.	R, U, Ap, An, Ev, C	PSO- 1, 2,3



CO 4	Develop the various contexts in which theories of consumption and investment can be applied	R, U, Ap, An, Ev, C	PSO -1,3
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R-Remember, U-Understand, Ap-Apply, An-Analyse, E-Evaluate, C-Create

Note: 1 or 2 COs/module

Name of the Course: Credits: 4:0:0 (Lecture:Tutorial: Practical)

CO No.	CO	PO/PSO	Cognitive Level	Knowledge Category	Lecture (L)/Tutorial (T)	Practical (P)
CO-1	Analyse the concept of National Income Accounting on various real-world situations	PO - 1, PSO-1	R, U,Ap, An	F, C, P	L	
CO-2	Interpret the mainstream approaches to the study of Macroeconomics	PO – 1, 2 PSO - 1, 3	R, U, Ap, An, Ev	C, P	L	
CO-3	Analyse the simultaneous equilibrium in the goods and money market through IS LM tools and suggest suitable policy measures.	PO - 1,2, PSO - 1,2,3	R, U, Ap, An, Ev, C	C, P	L	
CO 4	Develop the various contexts in which theories of consumption and investment can be applied	PO – 1,2, PSO 1, 3	R, U, Ap, An, Ev, C	P	L	

F-Factual, C- Conceptual, P-Procedural, M-Metacognitive

Mapping of COs with PSOs and POs :

CO No.	PSO 1	PSO 2	PSO 3	PSO 4	PSO 5	PSO 6	PO 1	PO 2	PO 3	PO 4	PO 5	PO 6	Average
CO-1	3	1	2	-	-	-	3	2	1	-	-	1	1.86
CO-2	3	-	3	-	-	-	3	3	2	-	-	2	2.67
CO-3	3	2	3	1	-	-	3	3	3	2	-	2	2.44
CO-4	3	1	3	1	-	-	3	3	2	2	1	2	2.1
Average	3	1.33	2.75	1	0	0	3	2.75	2	2	1	1.75	

Correlation Levels:

Level	Correlation
-	Nil
1	Slightly / Low
2	Moderate / Medium



3	Substantial / High
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Assessment Rubrics:

- Quiz / Assignment/ Quiz/ Discussion / Seminar
- Midterm Exam
- Programming Assignments
- Final Exam

Mapping of COs to Assessment Rubrics :

CO No.	Internal Exam	Assignment	Project Evaluation	End Semester Exam
CO-1	✓	✓	-	✓
CO-2	✓	✓	-	✓
CO-3	✓	✓	✓	✓
CO-4	✓	✓	✓	✓

