

B.A. (Honours) Economics
Semester II

Course Title: DSC 2.2: Introduction to Economic Analysis II	
Total Contact Hours: 42	Course Credits: 3
Formative Assessment Marks: 40	Duration of ESA/Exam: 3 Hrs.
Model Syllabus Authors:	Summative Assessment Marks: 60

Course Objectives:

1. To enable the students to understand the macroeconomic structure of the economy.
2. To enable the students to understand the working of the present monetary and banking system.
3. To make them understand the basic concepts of international trade.

Course Outcomes (COs):

At the end of the course the student should be able to:

1. Understand the operation of the overall economic system
2. Calculate national income and related aggregates
3. Explain the relationship between macroeconomic aggregates;
4. Analyze the nature of business cycles and policies towards controlling them
5. Evaluate the macroeconomic policies for solving major problems like poverty and unemployment

UNIT-1: MACROECONOMIC CONCEPTS AND RELATIONSHIPS **12**

Chapter 1: Macro economy **5**

1. Introduction to National Income Accounting
2. Concepts of GDP, GNP and National income
3. Approaches to calculating GDP, personal income, Nominal and real GDP
4. Limitations of GDP concept

Chapter 2: Monetary economy **4**

1. Characteristics of money
2. The demand for money
3. The supply of money and overall liquidity position
4. Credit creation

Chapter 3: Inflation	3
1. Meaning and causes of inflation	
2. Calculating inflation rate	
3. Impact of inflation.	
Practicum:	
1. Understanding the relationships between various NI concepts used in India's NI accounting	
2. Estimating the components of money supply and interpreting the various price indices	
UNIT-2: MACROECONOMIC CHALLENGES AND POLICIES	12
Chapter 4: Macroeconomic challenges	3
1. Unemployment	
2. Economic Growth	
3. Business Cycles	
Chapter 5: Monetary Policy	3
1. Objectives	
2. Instruments	
Chapter 6: Fiscal Policy	6
1. Public finance vs. Private finance	
2. Fiscal functions and role of government:	
3. Allocation, distribution and stabilization.	
4. Characteristics of public goods,	
5. Rationale of public provision of public goods	
Practicum:	
1. Reviewing the monetary policy of RBI;	
2. A project to identify the nature and causes of poverty	
UNIT -3 PUBLIC POLICY AND GLOBALIZATION	18
Chapter 7: Poverty and public policy	6
1. Meaning, measurement and types of poverty	
2. Poverty alleviation programmes in India.	

Chapter 8: International Trade

9

1. The economic basis for trade—absolute advantage and comparative advantage,
2. Terms of trade
3. Exchange rates
4. Trade Barriers-tariffs, subsidies and quotas
5. Balance of Payments-The current and capital account

Chapter 9: Globalization

3

1. Meaning
2. Importance
3. Impacts of Globalization

Practicum:

1. Survey on identification of poor
2. Calculating the components of BoP of India

References (indicative)

1. Cohen, A.J. (2020). *Macroeconomics for Life: Smart Choices for All? + MyLab Economics with Pearson eText* (updated 2nd ed.). Toronto, ON: Pearson Canada Inc. Type: Textbook: ISBN: 9780136716532
2. Cohen, A.J. (2015). *Microeconomics for Life: Smart Choices for You + MyLab Economics with Pearson eText* (2nd ed.). Toronto, ON: Pearson Canada Inc.
3. Type: Textbook: ISBN: 9780133899368
4. Case Karl E. and Fair Ray C. Principles of Economics, Pearson Education Asia, 2014.
5. Mankiw N. Gregory. Principles of Economics, Thomson, 2013.
6. Stiglitz J.E. and Walsh C.E. Principles of Economics, W.W. Norton & Co, New York, 2011.