

## LESSON PLAN

Course Name: **B.A PROG 4 SEM**

Paper Name: **PRINCIPLES OF MACROECONOMICS -II** Unique Paper Code: **62274403**

Semester Duration : **3<sup>rd</sup> January 2022 to 28<sup>th</sup> April 2022**

Week	Unit	Topic	References
1	I	IS-LM Analysis : Derivation of the IS curve - Algebraic and Graphical derivation, slope of IS curve and its determinants and position of IS curve	Dornbusch ,Fischer & Startz(2018),12th ed, Chapter-11
2	I	IS-LM Analysis : Derivation of the LM curve - Algebraic and Graphical derivation, Slope of the LM curve and its determinants and position of LM curve	Dornbusch ,Fischer & Startz(2018),12th ed, Chapter-11
3	I	IS-LM and Aggregate Demand : Derivation of the Aggregate Demand Curve through IS-LM Frame work, role of multiplier	Dornbusch ,Fischer & Startz(2018),12th ed, Chapter-12
4	I	IS-LM and Aggregate Demand : Shift in the Aggregate Demand curve, impact of changes in fiscal and monetary policies on IS-LM FRAMEWORK	Dornbusch ,Fischer & Startz(2018),12th ed, Chapter-12
5	II	GDP and Price Level in the Short Run and Long Run: shapes of Aggregate Demand and Aggregate Supply ,Equilibrium output and price level, Shifts in the short run Aggregate Supplycurve	Blanchard & Johnson,(2017),6th ed,Chapter-6
6	II	Multiplier Analysis With Aggregate Demand Curve and Changes in the Price Level, Effect of an interest rate increased on planned aggregate expenditure and equilibrium output	Blanchard & Johnson,(2017),6th ed,Chapter-6
7	II	Aggregate Supply in the long run and short run , Concept of Real wealth effect, Potential GDP	Blanchard & Johnson,(2017),6th ed,Chapter-7
8	II	long run AS curve , Inflationary and deflationary gap situation : Simple Keynesian AS curve	Blanchard & Johnson,(2017),6th ed,Chapter-7
9	III	Inflation and Unemployment : Concept of inflation, Demand pull inflation and Cost Push or Supply Side Inflation, Types of Inflation Determinants of Inflation , core inflation, Whole Price Index and Consumer Price Index, Trends in inflation	Abel & Bernanke (2008) 5 <sup>th</sup> ed,Chapter-12
10	III	Concept of Unemployment , Types of Unemployment, Unemployment rate, Trends in Unemployment	Abel & Bernanke (2008) 5 <sup>th</sup> ed,Chapter-12

11	III	The labor Market : Basic Concepts, The classical labour market and the AS curve, Efficiency Wage Theory, Minimum Wage Law, Stick wages : Wage Rigidity , social or implicit contracts, concept of COLAs ,	Abel & Bernanke (2008) 5 <sup>th</sup> ed, Chapter-12
12	III	Relationship between inflation and unemployment : Phillips Curve in the short run and Long Run, Long run Phillips curve : The Natural Rate Of Unemployment, concept of Non-accelerating Inflation Rate Of Unemployment (NAIRU)	Abel & Bernanke (2008) 5 <sup>th</sup> ed,Chapter-12
13	IV	Balance of Payments and Exchange Rate: Balance of Payments : Current and Capital Account , Trends in BOP	Abel & Bernanke (2008) 5 <sup>th</sup> ed,Chapter-5
14	IV	Balance of Trade, Determinants of Exports and Imports ,Determination of Equilibrium Output in an Open Economy, The Trade Feedback Effect and Price Feedback Effect, concept of open economy multiplier	Abel & Bernanke (2008) 5 <sup>th</sup> ed,Chapter-5
15	IV	The Market For Foreign Exchange : Demand and Supply of Foreign Exchange , floating or Pegged Exchange Rate System,Equilibrium Exchange Rate, law of one price	Abel & Bernanke (2008) 5 <sup>th</sup> ed,Chapter-13
16	IV	Purchasing power parity theory, Exchange Rates Respond To changes in Relative Prices, Exchange Rates Respond To Changes in Relative Interest Rates, The effect of a Depreciation on the Balance of Trade (the J curve)	Abel & Bernanke (2008) 5 <sup>th</sup> ed,Chapter-13

### References

- 1. Abel,A.,Berenanke,B.(2008).Macroeconomics, 5<sup>th</sup> ed,Pearson Education.**
- 2. Blanchard,O,Johnson,D.(2017)Macroeconomics,6th ed,Pearson Education.**
- 3. Dornbusch,R,Fischer S.,Startz,R.(2018).Macroeconomics,12th ed,McGraw-Hill Education India**