

**Course Title: Macroeconomics****Course Description & Objectives**

This course aims at providing insights into and understanding of theories and practices relating to macroeconomics. This would be a basic course offered to students who have already studied Microeconomics. The background of student audience is based on Intermediate or at least 12 years of education with basic knowledge of Microeconomic theory.

**Learning Outcomes**

1. To introduce the concepts of Macroeconomics.
2. To provide an opportunity to develop skills to understand daily economic life and relate it to Macroeconomic theory
3. To make students understand the working of the policy initiatives in the market economy
4. To enable students understand the aggregate concepts of national Income, Inflation etc.
5. To develop economic thinking among students
6. To prepare the student for higher studies in subjects like Managerial Economics & Econometrics, Taxation, Fiscal Policy etc

**Course Contents****National Income:**

Concepts of National Income-GNP, NNP, GDP, GNI at factor cost, PI, Personal disposable income, transfer payments, Circular flow of national Income. Measurement of National Income: National Income at market price, at factor Cost; Measurement of national Product in current price and in constant prices.

**Keynesian Macroeconomics:**

Keynesian Psychological law of Consumption, Consumption function, saving function, MPC, APC, MPS and APS

Derivation and use of investment multiplier

Investment and MEC

Inflationary and deflationary gaps under Keynesian theory.

**Public Finance:**

Meaning, Difference between Private and Public Finance, revenue and Expenditure of Public Bodies, Kinds of Taxes and Cannons of Taxes fiscal policy.

Tools of Fiscal and Monetary Policy.

Inflation: Kinds, causes and remedies

**Trade**

Trade Theories: Theory of comparative advantages, Modern theory of trade, Trade Cycles

**International Institutions**

IMF & World Bank Group

**Teaching Methods:** Lectures, discussions, presentations, quiz & assignments

**Assessment Mechanism/Criteria**

40% (40 Marks)	Internal Assessment by affiliated institution	*15Marks for Assignments, Quizzes and others **25 Marks for Mid-term Exam
60% (60Marks)	External Assessment by the Punjab University	Final Term Examination

**Suggested Readings**

1. Samuelson, Paul A.; William D Nordhaus, Sen & Chaudhry, *Economics*, McGraw-Hill, 20<sup>th</sup> Edition, **2019**, ISBN-10 : 9389538033, ISBN-13 : 978-9389538038
2. Nordous. D. William, Samuelson Paul. A, *Macroeconomics*, MC GRAW HILL INDIA; 19<sup>th</sup> Edition (January 1, 2011), ISBN-10 : 9780071333368, ISBN-13 : 978-0071333368
3. Rudiger Dornbusch , Stanley Fischer , Richard Startz , *Macroeconomics*, McGraw-Hill Education; 13<sup>th</sup> Edition (September 7, 2017), ISBN-10 : 1259290638, ISBN-13 : 978-1259290633
4. David Romer, *Advanced Macroeconomics*, McGraw-Hill Education; 5<sup>th</sup> Edition (February 19, 2018), ISBN-10 : 1260185214, ISBN-13 : 978-1260185218
5. Rizavi, Dr. Sayyid Salman, “*An Introduction to Economics*”, Syed Mubeen & Co., Lahore, **2019**

**Recommended Websites/Resources**

1. <http://www.basiceconomics.info/>
2. <http://www.imf.org>
3. <http://www.worldbank.org>
4. <http://www.sbp.gov.pk>
5. <http://www.finance.gov.pk>