

TYBA ECONOMICS (SEMESTER – VI)

COURSE CODE	GROUP – I : CORE PAPER PAPER NO. XIII	CREDIT	MARKS
ECOAME601	ADVANCED MACROECONOMICS – III	4	100

Course Objective :

This Course introduces the students to formal modeling of a macro economics theory with analysis tools. Since students have been taught Keynesian Synthesis, this course focuses on four aspects which are the study of Post Keynesian Synthesis, Trade Cycles, Exchange Rate Regimes and International Monetary System.

Course Outcomes

- To make student aware about Post Keynesian Synthesis and understand various aspect of Trade Cycles.
- Students will be able to describe the contemporary Exchange Rate Regimes and International Monetary System.

Module 1 : Post Keynesian Synthesis (14 Lectures)

Derivation of Aggregate Demand Curve with IS – LM – Aggregate Supply Curve – Determination of Equilibrium National Income and Price Level under Aggregate Demand and Aggregate Supply Model – Extension of IS-LM Model with Labour Market and Flexible Prices – Natural Rate of Unemployment- Long run Philips Curve – Friedman’s Expectations Model – Tobin’s Modified Philips Curve – Adaptive Expectations and Rational Expectations.

Module 2 : Trade Cycle (12 Lectures)

Meaning – Nature- Features and Types of Trade Cycle – Phases of Trade Cycles – Theories of Trade Cycles – Hawtrey’s , Kaldor, Paul Samuelson and Hicks – Measures to Control Trade Cycles.

Module 3 : Exchange Rate Regimes and Currency Cries

(12 Lectures)

Managed Exchange Rate – Advantages and Disadvantages – Policy of Managed Flexibility – Adjustable Peg System, Crawling Peg System, Managed Floating Systems Clean and Dirty Float System – Balance of Payment and Exchange Rate – Is Balance of Payments Always in

Balance? – Convertibility of Currency – Currency Crisis – Causes, Impact and Measures.

Module 4 : International Monetary System (12 Lectures)

Rise and Fall of International Gold – Bretton Woods System – Breakdown of the Bretton Woods System – Monetary System after the Collapase of Bretton Woods System – Maastricht Treaty, Features, Effects and Importance of Euro – Currency Market – Causes and Consequences of Economic Crisis – Impact of Global Recessions on the Economy – Asia Infrastructure Investment Bank (AIIB)- New Development Bank (NDB) : Asian Development Bank (ADB).

References :

1. Blanchard, Oliver (2008), Macroeconomics, Person education, New Delhi, India.
2. Dornbusch, Fisher and Startz (2018) Macroeconomics, McGraw Hill Education (India) Pvt.Ltd.
3. Mankiw N Gregory (2003), Macroeconomics, 6 edition, Worth Publishers, New York.
4. Patil J. F (2005 Marathi Edition), Macroeconomic Analysis, Phadke Prakashan, Kolhapur.
5. Rana K. C. & Verma K. N. (2017), International Economics, Vishal Publishing CO. Jalandar.
6. Salvatore D. (1997). International Economics. Printice Hall, New York.

