



KAUTILYA SCHOOL OF PUBLIC POLICY

GITAM (Deemed to be University)

Rudraram, Patancheru Mandal

Hyderabad, Telangana 502329

Course Code: PPOL6051	Course Title: Macroeconomics for Policy	
Trimester: 2	Course Type: Core	Credits: 3
Home Program(s): MPP	Batch/Academic Year: 2023-2025	
Course Lead: Dr. Amrendra Pandey	Assigned T/RA: Mr. Pritish Anand and Mr. Shubham Arya	

Course Description

Macroeconomic policy is concerned with maintaining sustainable growth of the economy. It is generally conducted through two tools- monetary and fiscal policy. Understanding economic dynamics at a macro level is essential to policymaking as it forms the backdrop within which policy decisions are made and implemented and strongly influences outcomes at a micro level. This course will introduce learners to the interrelations between macroeconomic variables such as consumption, government spending, investments, external trade, savings, inflation, inequality, and unemployment; and possible fiscal and monetary responses to macroeconomic problems. It will introduce learners to contemporary Indian high-frequency and medium-term macroeconomic data and help describe the current fiscal/monetary/ real economy context. It will then consider the experience of other countries and draw possible lessons for India.

Learning Objectives

1. Understand the key terms and concepts related to macroeconomics
2. Understanding business cycle in the macroeconomic context
3. Understand and evaluate the role of fiscal policy in economic growth and its stabilisation
4. Understand and evaluate the role of monetary policy in economic growth and its stabilisation
5. Understand the role of international trade and finance in domestic economy

Course Outcomes

On successful completion of this course:

1. Understanding related to terms and concepts related to macroeconomics
2. Understanding of business cycles
3. Understanding and evaluating the role of fiscal tools in economic growth and its stabilisation
4. Understanding and evaluating the role of monetary tools in economic

growth and stabilisation 5. Understanding and evaluating the role of international trade and finance in domestic economy.

Textbooks and Course Materials

1. Schiller, B. R. (2016). *The macro economy today*. Tata McGraw-Hill Education
2. Gordon, R. J. (2011). *Macroeconomics*. Pearson

Assessment Rubric

1. **Class Assessment I (20 Marks)** entails a classroom test on the topic “*Understanding of Macroeconomic Measures and the Business Cycle.*”
2. **Class Assessment II (20 Marks)** entails a classroom test on the topic “*Understanding of Fiscal and Monetary Policy and International Trade and Finance.*”
3. **Policy/Issue Brief (30 Marks)** entails writing a policy brief or an issue brief in the context of the Indian economy on the topic of students’ choice by the application of macroeconomic concepts they have studied in class so far.

*The final grade for the course will be based 15% on overall class participation and 15% on class attendance in addition to the elements discussed above. The way to assess class participation will be at the discretion of the Professor and will be conveyed timely.

Classroom Etiquette

The consumption of food and the use of laptops, tablets, smartphones, and other addictive electronic devices are not allowed. Laptops can be used only on instructions to do so. If you are unable to take notes by hand, please discuss an alternative arrangement with the teaching team. Phones must be turned off at the start of class.

Course Schedule

Unit I	Sessions: 4	Introduction
<ul style="list-style-type: none"> • Current economic challenges for policy making • Overview of world and Indian economy • Measurement of Macro outcomes; Income, Unemployment, and Inflation 		
Unit II	Sessions: 5	Cyclical Instability
<ul style="list-style-type: none"> • Business cycle • Aggregate Demand • Self-adjustment and Instability 		
Unit III	Sessions: 5	Tools of Fiscal Policy

- Fiscal policy
- Deficit, Surplus, and Debt
- Supply Side Policy Short run options
- Growth and Productivity Long term possibilities

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Unit IV	Sessions: 5	Tools of Monetary Policy
<ul style="list-style-type: none"> • Money and Banks • Monetary Policy System in India • Monetary Policy of Advanced Economies and their Impact on Emerging Economies 		
Unit V	Sessions: 5	International Trade and Finance
<ul style="list-style-type: none"> • Theories of International Trade • International finance 		

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