

SEMESTER II
B.Com HONS
MACRO ECONOMICS
GE
w.e.f 2018 -19 AY

SCHEME OF INSTRUCTION

Hours per Week	: 5
Credits	: 5
Instruction Mode	: Lecture
Course Code	: BC.05.101.28T

SCHEME OF EXAMINATION

Maximum Marks	: 100
Internal Assessment	: 40
External Examination	: 60
External Exam Duration	: 3 Hrs

Objective: To make students aware of macroeconomic concepts and to make them understand the importance and practicability of the subject.

Outcome:

After studying the subject students can understand macroeconomics and macro-economic policies they can also find how it effects every individuals

UNIT I -Introduction to Macro Economics

12 Hrs

Macro Economics- Meaning & definition, Nature & Scope of macro economics , Importance and Limitations. Difference between macro and micro economics. Subject matter of macro economics.

UNIT II – Economic growth & national income

12 Hrs

Meaning and definition of economic growth- Difference between economic growth and development-factors determining economic growth of India-Rostow's stages of economic growth model
National Income- Concepts- G.N.P., G.V.A.,G.D.P.N.N.P. at factor cost, N.N.P at market price,P.C.I.,methods to Measure national income , Problems in Estimation of national income, Significance of national income.

UNIT III: - Inflation and Business Cycle

12 Hrs

Meaning & definition of Inflation, Monetary policy, Fiscal policy. inflation-Types, Causes & Effects, Measures - Monetary and Fiscal Policies only, Business Cycles- Phases, Theories of Business cycles- Hawtrey, Hayek & Schumpeter's Theory only-measures to overcome business cycle (monetary policy, fiscal policy, direct measures)

UNIT IV – Theories of distribution

12 Hrs

Meaning & Definition of rent – types of rent -Ricardian theory of rent. meaning and definition of wages- types of wages-classical marginal productivity theory of wages. Definition of interest – difference between gross and net interest-. Keynesian Liquidity Preference theory of interest-demand, supply, equilibrium, motives of liquidity preference, liquidity trap, Meaning & Definition of Profit. - types of profit.-Knight's uncertainty bearing theory of profit.

UNIT V: Effective demand, Consumption and saving

12 Hrs

Meaning of Keynesian effective demand, Aggregate Demand price and Aggregate Supply price, Meaning of AD and AS Curves, determination of effective demand, meaning of Keynesian Consumption Function, meaning of MPC, meaning of APC, Determinants of Consumption function, Keynes's psychological law of consumption. meaning of Saving Function, meaning of APS, meaning of MPS, determinants of saving function, Meaning of Investment Function, determinants of investment function.

TEXT BOOKS

1. O.S.Suguna sheela, *Macro Economics*, Vaghdevi Publishers, 2014

Reference Books

- 1 Suman Kalyan Chakraborty, *Macro Economics*, Himaiaya publishers, 2011
- 2 Rudiger Dornbusch, Stanley Fischer and Richard Startz, , *Macro Economics*, McGraw Hill, edition 2014
- 3 Dornbusch, R. and F. Stanley, *Macro Economics* ,McGraw Hill, edition 2017
- 4 Shapiro, E, *macroeconomic analysis*, Glagotia Publications, New Delhi, edition 2014