

B.A.-III, Semester VI

SUBJECT: ECONOMICS PAPER TITLE: XIII -Business Cycles and Stabilization Policies

PAPER CODE: XIII-646306

OBJECTIVES: The student will be able to

- understand the basic theoretical framework underlying the field of Macro-Economics.
- explain knowledge of Trade Cycle, Development and Growth Model.

Unit No.	Topic	No of Lectures- Sub Topics	No of Lecture Assigned	Marks	Credit
I	Trade Cycles: <ul style="list-style-type: none">• Meaning of Trade Cycle, Nature and Characteristics of Trade Cycle• Types of Trade Cycles• Controls of Trade Cycles.	5 5 5	15	25	1.0
II	Theories of Trade Cycles <ul style="list-style-type: none">• Hawtrey's monetary theory ;• Hayek's over – investment theory;• Keynesian view on trade cycle;• The Concept of accelerator; Samuelsson and• Hick's multiplier – accelerator interaction model.	3 3 3 3 3	15	25	1.0

III	Economic Growth				
	• Concept of Growth	3			
	• Sources of Growth	3			
	• Dual effect of Investment	3			
	• Income effect and Capacity Effects	3			
• Economic Growth and technical Progress.	3	15	25	1.0	
IV	Growth Models;				
	• Harrod-Domar , Instability of equilibrium;	10	15	25	1.0
	• Neo- classical growth models- Solow.	5			
Total Lectures		60	60	100	4.0

Books:

- Ahuja, H. L. (2011) *Modern Macro Economics, Delhi: S. Chand Publication.*
- Davis, Timothy (2010). *Ricardo's Macroeconomics: Money, Trade Cycle and Growth (Historical Perspectives on Modern economic)*, UK: Cambridge University Press.
- Dewett, K.K. (2010) *Modern Economic Theory, Delhi: S. Chand Publication.*
- Hairault, Jean-Olivier, Henin, Pierre-Yves and Portier, Fronck (1997). *Business cycle and Macroeconomic Stability: Should we Rebuild Built-in Stabilizers?* New York: Springer.
- Heijdra B.J. & F.V.Ploeg (20001) *Foundation of Modern Economics*, Oxford University, Delhi.
- Mishra & Puri (2015)) *Modern Macro Economics, Delhi: S. Chand Publication.*