

Bachelor of Commerce with Accountancy and Finance

SEMESTER – IV

MACRO ECONOMICS

Computer Code 4005

4 Credits

Module 4.5

Evaluation Pattern:

Internal Evaluation 25 Marks

External Evaluation 75 Marks

Unit	Topic	Weightage %	No. of Periods
	Objectives: To familiarize students with the basic theoretical framework underlying the field in macro economics		
1	<u>National Income :</u> Meaning of National Income - Circular Flow of national income in closed and open economy - Concepts of national Income - GDP, GNP, NNP, NNPF, personal income and disposable income.- Measurement of national income - value added method - Expenditure method - income method - difficulties in the measurement of national income	25	15
2	<u>Output and Employment (Keynes Approach):</u> Aggregate demand and aggregate supply functions – The principle of effective demand - Consumption function - Average and marginal propensity to consume - Factors influencing consumption spending- The investment multiplier - Theory of investment – Autonomous and induced investment - Marginal efficiency of capital	30	20
3	<u>Rate of Interest :</u> Classical Neoclassical and Keynesian Theories of interest	20	10

4	<p><u>Trade Cycles:</u></p> <p>Nature and characteristics of trade cycle - Phases of business cycle with diagram - Control of trade cycle</p> <p>Inflation its types, effects and causes on different sectors of economy - Demand pull and cost push inflation with diagram</p> <p>-Monetary and fiscal measures to control inflation</p> <p>Deflation concept causes and effect.</p>	25	15
	Total	100	60

Reference Text Books:

Title of the Book	Author	Publication	Year of Publication
Edition Macroeconomics Theory and policy	Ahuja H.L	S.Chand & Co.	2009
Monetary Economics,	Gupta S.B	S.Chand & Co	1994
Edition Monetary Economics	M.L.Jhingan	Vrinda publications pvt. Ltd	2008
Macro Economics	Ahuja H L	S.Chand & Co	2012
Economics	P. A. Samuelson	Tata Mc. Grow Hill	2012
Macro Economics	Rudiger Dornbusch, Stanley Fischer,	Tata Mc. Grow Hill	

