

B.A. (ECONOMICS) SYLLABUS

Semester - II

Discipline Specific Course

Paper – II MACRO ECONOMICS

Module– I: Introduction

Macro Economics – Concept of Circular Flow of Incomes –National Income Analysis: Concepts and Components – Methods of Measurement –Difficulties and Limitations in the Estimation of National Income.

Module– II: Theories of Income and Employment

Classical Theory of Income and Employment - Keynesian Theory of Income and Employment- Effective Demand – Consumption Function- Average Propensity to Consume (APC) and Marginal Propensity to Consume (MPC) – Factors Determining Consumption Function – Savings Function- Average Propensity to Save and Marginal Propensity to Save – Concepts of Multiplier and Accelerator

Module– III: Investment & Theories of Interest Rate

Capital and Investment- Types of Investment- Determinants of Level of Investment- Marginal Efficiency of Capital and Marginal Efficiency of Investment- Neo-Classical and Keynesian Theories of Interest.

Module – IV: Supply of Money & Demand for Money

Functions and Classification of Money – Money Supply – Measures of Money Supply with reference to India: M1, M2, M3 and M4 – Classical Theories of Money: Fisher's and Cambridge Versions of Quantity Theory of Money – Keynes' Theory of Money and Prices.

Module– V: Inflation & Trade Cycles

Inflation: Concept, Types, Causes and Measurement – Effects of Inflation – Measures to Control Inflation – Concepts of Phillips Curve, Deflation and Stagflation – Trade Cycles: Concept, Causes and Phases of trade cycle.

Reference Books:

- Ackley, G (1976) : Macro Economics: Theory and Policy, Macmillan, New York
Shapiro, E (1996) : Macro Economic Analysis, Galgotia Publications, New Delhi
Hansen A H (1953): A Guide to Keynes, McGraw Hill, New York
Keynes JM (1936) : The General Theory of Employment, Interest and Money.
MC Vaish : Macro Economic Theory
HL Ahuja : Macro Economic Theory & Policy
Vanitha Agarwal : Macro Economic Theory & Policy, Pearson Education
HL Ahuja : Macro Economic Analysis
Gupta, SB : Monetary Economics: Institutions, Theory and Policy
M.L. Seth : Macro Economics, Lakshmi Narain Agarwal, Agra, 2006