

**SARDAR PATEL UNIVERSITY****Programme: BBA (GENERAL)****Semester: II****Syllabus with Effect from: November/December-2011**

<b>Paper Code: UM02CBBA05</b>	<b>Total Credit:3</b>
<b>Title Of Paper: Macro Economics</b>	

<b>Unit</b>	<b>Description in detail</b>	<b>Weighting (%)</b>
I	<b>Introduction</b> Basic Problem of an Economy. Economic System, Types of Economics System. Circular flow of Income. National Income (Basic Concepts), Methods of Calculation and Difficulties in Calculation.	25 %
II	<b>Theory of Income &amp; Employment.</b> Theory of Income & Employment Consumption Function. Investment Multiplier & Accelerator. Liquidity Preference Theory of Interest, Liquidity Trap. Modern Theory of Interest.	25 %
III	<b>Money, Banking &amp; International Trade.</b> Money (Definition & Functions) & Components of Money Supply. Milton Friedman's Quantity Theory of Money. Functions of Commercial Banks with Special Emphasis on Credit Creations. Monetary Policy of Central Bank. International Trade-Comparative Cost Theory, Balance of Payments, Exchange Rate.	25 %
IV	<b>Macro Economic Problems.</b> Typical Business Cycle. Inflation-Meaning, Types, Causes, Effects & Control of Inflation-Philips Curve. Direct & Indirect Tax-Merits & Demerits. Public Debt & Debt Repayment. Deficit Financing-Safe Limits.	25 %

**Basic Text & Reference Books:**

- Ahuja H.L (2007) Macro Economics Theory & Policy, Sultanchand & Co. New Delhi.
- Dwivedi M D N (2006) Macro Economics-Theory & Policy, Vikas Publishing House Pvt Ltd.
- Manikw G.N (2003), Macro Economics (V<sup>th</sup> Edition), Thomson South Western, Delhi.
- Shapiro E (2003) Macro Economics Analysis (V<sup>th</sup> Edition), Galgotia Publications, New Delhi.
- Money, Banking Publish Finance & International Trade by D M Mithani Himalaya Publications, Mumbai.

