

SARDAR PATEL UNIVERSITY
Programme: BBA (Information Systems Management)
Semester: II
Syllabus with effect from: DECEMBER 2013

Paper Code: UM02CBBS09	Total Credit: 3
Title Of Paper: Macro Economics (Effective from: December 2013) (Revised)	

Unit	Description in detail	Weighting (%)
1	Introduction: Basic Problems of an Economy, Economic System, Types of Economic System, Circular flow of Income, National Income (Basic Concepts) – Methods of calculation and Difficulties in calculation.	25 %
2	Theory of Income and Employment: Theory of income and employment: consumption function Investment multiplier and accelerator Liquidity preference theory of interest, liquidity trap, Mordern theory of interest	25 %
3	Money, Banking and International Trade: Money (definition and functions) and components of money supply, Milton Friedmen’s Quantity theory if money Functions of commercial banks with special emphasis on credit creation Monetary policy of central bank International Trade – comparative cost theory, Balance of payments, Exchange rate	25 %
4	Macro Economic Problems: Typical business cycle Inflation – Meaning, Types, Causes, Effects and Control of inflation – Philips curve Direct and Indirect tax – merits and demerits Public debt and Debt repayment Deficit Financing – safe limits.	25 %

Basic Text & Reference Books:

- Ahuja H.L. (2007) Macro Economics Theory and Policy, Sultanchand and Co, New Delhi.
- Dwivedi M.D.N (2006) Macro Economics – Theory and Policy, Vikas Publishing House Pvt. Ltd.
- Mankiw G.N (2003), Macro Economics (V th Edition), Thomson South Western Delhi.
- Money, Banking, Public Finance and International Trade by D.M.Mithani, Himalaya Publications, Mumbai.

