

SARDAR PATEL UNIVERSITY
Programme: BBA (ISM)
Semester: II
Syllabus with effect from: Nov./Dec. 2019

Paper Code: UM02GBBS51	Total Credit:3
Title of paper: MACRO ECONOMICS	

Unit : I Introduction 25 %

Basic Problems of an Economy.
Economic System, Types of Economics System.
Circular flow of National Income – Two to Five sector model.
National Income. Methods of Calculation and Difficulties in Calculation.

Unit : 2 Theory of Income & Employment. 25 %

Theory of Income & Employment Consumption Function.
Investment Multiplier & Accelerator.
Liquidity Preference Theory of Interest, Liquidity Trap.

Unit : 3 Banking & International Trade. 25 %

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(Concept).

Unit : 4 Macro Economic Problems. 25 %

Typical Business Cycle.
Inflation-Meaning, Types, Causes, Effects & Control of Inflation-Philips Curve.
Direct & Indirect Tax-Merits & Demerits.
Deficit Financing-Safe Limits.

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 (Vth Edition), Thomson South Western, Delhi.
- Shapiro E (2003) Macro Economics Analysis (Vth Edition), Galgotia Publications, New Delhi.
- Money, Banking Publish Finance & International Trade by D M Mithani Himalaya Publications, Mumbai.