

SARDAR PATEL UNIVERSITY
Programme: BBA (Information Technology Management)
Semester: II
Syllabus with effect from: November/December-2011

Paper Code: UM02CBBI05	Total Credit:3
Title Of Paper: Macro Economics	

Unit	Description in detail	Weighting (%)
I	Introduction 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	Theory of Income & Employment. Theory of Income & Employment Consumption Function. Investment Multiplier & Accelerator. Liquidity Preference Theory of Interest, Liquidity Trap. Modern Theory of Interest.	25 %
III	Money, Banking & International Trade. 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	Macro Economic Problems. 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 (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.

