

SARDAR PATEL UNIVERSITY
Programme & Subject: BBA (Information Technology Management)
(3 Years)
Semester: II
Syllabus with effect from: December - 2015

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| Paper Code: UM02EBBI02 | Total Credit: 3 |
| Title Of Paper: Macro Economics | |

| Unit | Description in Detail | Weightage (%) |
|------|---|---------------|
| I | 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% |
| II | Theory of Income and Employment Theory of Income & Employment: consumption function, Investment multiplier and accelerator, Liquidity preference theory of interest, Liquidity Trap, Modern theory of Interest. | 25% |
| III | Money, Banking and International Trade Money (Definition and Functions) and Components of Money Supply, Milton Friedman's Quantity theory of 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% |
| IV | 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 & Policy, Sultanchand & Co. , New Delhi.
- Dwivedi M D. N. (2006) Macro Economics- Theory & Policy, Vikas Publishing House Pvt. Ltd.
- Mankiw 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, Public Finance and International trade by D. M. Mithani, Himalaya publications, Mumbai.

