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| --- | --- | --- | --- | --- | --- | --- | --- |
| **Program: B.Com(Management and Finance)** | | | | | **Semester : II** | | |
| **Course : Macroeconomics** | | | | | **Code :** | | |
| **Suggested Lectures per week** | | | | | **02** | | |
| **Teaching Scheme** | | | | | **Evaluation Scheme** | | |
| **Lecture** | **Practical** | **Tutorial** | **Credits** | | **Theory** | | |
| **Internal**  **20 Marks** | | **External**  **30 Marks** |
| **30** | **Nil** | **Nil** | **02** | |
|  | | | | | | | |
| **Internal Component** | | | | | | | |
| **Class Test (Duration 20 Mins)** | | | | **Projects / Assignments/Presentations** | | **Class Participation** | |
| **10 Marks** | | | | **10 Marks** | | **---** | |
|  | | | | | | | |
| **Learning Objectives:**   * To understand how economic indicators like GDP and business cycle are used to assess the state of the economy * To state the Keynesian and classical perspectives and its implication * To discuss appropriate macro policy options in response to the state of the economy | | | | | | | |
| **Course Outcomes:**  After completion of the course, learners would be able to:  **CO1:** Compute different measures of macroeconomic activity such as the national income accounts, and evaluate the shortcomings of traditional economic measures,  **CO2:** to compare the theoretical underpinnings of classical and Keynesian policy formulations/  **CO3: to** Recognize how monetary and fiscal policy can be used to achieve policy goals, | | | | | | | |
| **Pedagogy : Classroom learning , Presentation, Theory Notes, Practical Sums, Assignments, Case Study** | | | | | | | |

# MODULES AT GLANCE

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| **Sr. No.** | **Topics** | **No. of Lectures** |
| **Module 1** | Economy in the short run | 15 |
| **Module 2** | Introduction to Keynesian Economics | 15 |
|  | **TOTAL** | 30 |

**DETAILED SYLLABUS**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Module** | | **Topic** | **No. of Lectures** | |
| **1** | **Economy in the short run**  Macroeconomics: scope and significance; Circular flow of income- closed economy: two-sector and three-sector models, open economy: four sector model. Leakages and injections - their impact on circular flow of income.  Concepts of national Income: GNP, GDP, NNP at market prices, NNP at factor cost, Personal Income, Disposable Income, Real and Nominal GDP, Current and Nominal GDP, Green GDP, Measurement of National Income. Numerical problems.  Business cycles: meaning, features and phases. Case studies  Policies for Economic Stabilisation | | | 15 |
| **2** | **Introduction to Keynesian Economics**  Theory of Income and Employment- Classical Theory: Say’s law of markets ; Keynesian Theory of Employment: Aggregate Demand (C + I + G), Aggregate Supply and Effective Demand.  Theory of Consumption: Fundamental psychological law of consumption, average and marginal propensity to consume and their implications, factors affecting consumption: subjective and objective. Case studies and numerical problems.  Theory of Investment: Meaning of investment function, determinants of investment function: marginal efficiency of capital and rate of interest; Factors affecting MEC: Prospective yield and Supply price (Cost of Investment); Relationship between MEC and rate of interest. Investment Multiplier- meaning, assumptions, working, limitations and leakages. Case studies and numerical problems. | | | 15 |

**Suggested Readings:**

1. N Gregory Mankiw: “Principles of Macroeconomics” Cengage Learning India.
2. Ahuja H.L: “Macroeconomics: Theory and Policy”, S. Chand Company Ltd. New Delhi
3. McConnell & Brue: “Macroeconomic”, McGraw-Hill Education Private Ltd. New Delhi
4. Dornbusch & Fischer: ‘Macroeconomics’ McGraw Hill Education, New Delhi.
5. R. Glenn Hubbard & O’brien: ‘Macroeconomics’, Pearson Education, New Delhi.
6. D N Dwivedi:‘Managerial Economics’ Vikas Publishing House.

Evaluation Pattern

**For courses carrying 2 credits**

Courses carrying 2 credits shall be evaluated for total of 50 marks, which means 30 marks Semester End Examination and 20 marks for Internal Continuous Assessment.

a. For Internal Continuous Assessment, there shall be two tests of 10 marks each held at regular intervals during the semester. These tests may be conducted either in online mode or as a pen paper test. An average of marks obtained in the 2 tests shall be considered as final marks.

The other component for 10 marks shall be chosen by the department. This can be a project/ assignment/ field study/ seminar/group discussion and so on.

b. For Semester End Examination, the question paper pattern shall be as follows: Maximum Marks: 30

Duration: One hour

All questions will be compulsory carrying 15 marks each with internal choice

Q. 1 Based on Module 1 of the syllabus

Answer any two out of the following questions: (7.5 X 2 =15 marks)

A. Descriptive

B. Numerical or application based

C. Numerical or application based / Case study

Q. 2 Based on Module 2 of the syllabus

Answer any two out of the following questions: (7.5 X 2 =15 marks)

A. Descriptive

B. Numerical or application based

C. Numerical or application based / Case study