



**Economics**  
**BUSINESS ECONOMICS-MACRO**  
**[GENERIC CORE]**

<b>Semester: III</b>	<b>Credits: 3</b>	<b>Subject Code: BB32104</b>	<b>Lectures: 48</b>
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**Course Outcomes:**

At the end of the Course, the learner will be able to,

- Recall and describe the fundamentals of Macroeconomic Theory.
- Explain and illustrate the models and measurements of Circular Flow of Income
- Discuss and demonstrate the concept of Unemployment Equilibrium
- Explain and analyze the concept of Effective Demand and apply to real-life situations
- Analyze the effects of Fiscal Policy and Inflation and Deflation
- Explain and analyze the concept of Trade Cycles and Unemployment

<b>Unit 1: Introduction</b>	<b>12</b>
<ul style="list-style-type: none"> <li>• Introduction to Macroeconomics. Definition, Nature, Scope and Limitations, Difference between Macroeconomics and Microeconomics.</li> <li>• The Major Schools of Thought in Macroeconomics: Classical School, Keynesian School, Neoclassical Theory, Neo-Keynesian Theory</li> </ul>	

<b>Unit 2: National Income Accounting</b>	<b>12</b>
<ul style="list-style-type: none"> <li>• Circular Flow of Income in 2 Sectors, 3 Sectors and 4 Sectors Models.</li> <li>• National Income Measures – Gross Domestic Product, Gross National Product, Net Domestic Product, Net National Product, Personal Income, Disposable Income, Nominal and Real GDP, The GDP Deflator, Consumer Price Index, Wholesale Price Index.</li> <li>• Methods of Measuring National Income in Closed and Open Sectors.</li> </ul>	

<b>Unit 3: Theory of Income and Employment</b>	<b>12</b>
<ul style="list-style-type: none"> <li>• The Great Depression and the Collapse of the Classical Economics</li> <li>• Keynesian Theory of Income and Employment – Aggregate Demand, Aggregate Supply, Effective Demand, Unemployment Equilibrium</li> <li>• The Keynesian Theory of Income Determination – Keynes' Psychological Law of Consumption, The Consumption Function and Savings Function, The Keynesian Cross, The Saving-Investment Approach, Multiplier</li> <li>• Fiscal Policy and Instruments of Stabilization</li> </ul>	

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<b>Unit 4: Business Cycle, Inflation, Deflation and Unemployment</b>	<b>12</b>
<ul style="list-style-type: none"><li>• Business Cycles- Characteristics and Phases of Business Cycle</li><li>• Inflation – Meaning, Types, Causes, Effects</li><li>• Deflation – Concept, Causes, Effects</li><li>• Measures to control Inflation and Tackle Business Cycles- Money Supply and Credit Control- Functions of Central Bank - Credit Creation by Commercial Banks</li><li>• Unemployment, Meaning, Kinds of Unemployment, Inflation and the Rate of Unemployment, The Phillips Curve</li></ul>	

# 12 hours for Library work, practical or field work or research purposes

#### Recommended Text Books:

- Ackley G., *Macro Economics: Theory and Policy*, Macmillan Publishing Company, New York. 1978
- Mankiw N. Gregory, *Macroeconomics*, Macmillan Publishing Company, 2000
- Gupta G. S., *Macroeconomics Theory and Applications*, The McGraw Hill Companies 2008
- Shapiro E, *Macro Economic Analysis*, Galgotia Publications, New Delhi. 1996 5th Ed.
- William Branson, *Macro Economics: Theory and Policy*, 1988 2nd Edn
- Mukherjee Sampat, *Analytical Macroeconomics From Keynes to Mankiw*, New Central Book Agency, 2000
- Lipsey and Chrystal, *An Introduction to Positive Economics*, Oxford University Press, 1995, 1999
- Stiglitz Joseph E.; Walsh Carl E. *Economics*, Viva Books, New Delhi, 2014

#### Reference Books:

- Dwivedi D. N., *Macro Economics*, Tata McGraw Hill, New Delhi-2006
- Ahuja H.L., *Macro Economics: Theory and Policy*, S. Chand & Co. Ltd. New Delhi.2006
- Gupta S.B., *Monetary Economics*, S. Chand & Co. Ltd. New Delhi.2002
- Boushey Heather Ed; Bradford Delong J Ed; Steinbaum Marshall, *After Piketty: The Agenda for Economics and Inequality*, Harvard Business Press, Cambridge 2017
- Shaikh Nasir; Kale Sambhaji; Thomas Fernandis, *Business Economics (Macro)*, Success Publications, Pune, 2020.
- Banerjee Dibyendu; Das Ramesh Chandra, *Macroeconomics From Short Run to Long Run*, Sage Publications India Pvt. Ltd, New Delhi, 2018
- Das Panchanan; Sengupta Anindita; Samanta Swapan, *Economics II*, Oxford University Press, New Delhi, 2016.

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**E-Resources:**

- <https://nlist.inflibnet.ac.in/> (Contact the St Mira's College Library for login credentials)
- <https://search.ebscohost.com/> (Contact the St Mira's College Library for login credentials)

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Chairperson (HoD)	Dr. Shalini Iyer	<i>Shalini Iyer</i>
Faculty	Dr. Arwah Madan	<i>Arwah Madan</i>
Faculty	Mrs Amruta Basu	<i>Amruta Basu</i>
Subject Expert (Outside SPPU)	Dr. Ishita Dutt	<i>Ishita Dutt</i>
Subject Expert (Outside SPPU)	Dr. Subhash Patil	<i>Subhash Patil</i>
VC Nominee	Dr. Sailee Belsare	<i>Sailee Belsare</i>
Industry Expert	Dr. Nishant Upadhyay	
Alumni	Ms. Asha Pannikar	<i>Asha Pannikar</i>

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