

Shivaji University Kolhapur

B.A. Part II Economics

Macro Economics -I (Paper-III) (Sem-III)

Preamble: The purpose of teaching this paper is to introduce the basic primary and analytically important concepts, theories and policies in the working of the economy to the learners. It attempts to enable the students to apply various concepts in the process of policy making, planning of measures to ensure and achieve the fundamental objectives of macroeconomic policy.

Unit 1: Introduction to Macro Economics (Periods -15)

- 1.1 Meaning, Definitions, Nature and Scope
- 1.2 Difference between Micro and Macro Economics
- 1.3 Importance and Limitations
- 1.4 Macro Economic Variables

Unit 2: National Income (Periods -15)

- 2.1 Meaning and Definitions
- 2.2 Different concepts: GDP, GNP, NNP, GDP at market prices and at factor cost, Per Capita Income, Personal Income, Disposable Income.
- 2.3 Methods of Measuring National Income: Product, Income and Expenditure.
- 2.4 Difficulties in the measurement of National Income, Importance of National Income Data.

Unit 3: Money and Value of Money (Periods -15)

- 3.1 Definitions and Functions of Money.
- 3.2 Value of Money: Quantity Theory of Money - Transaction Approach, Cash Balance Approach.

3.3 Index Number: Meaning and Types, Construction of Simple and Weighted Index Numbers.

3.4 Importance of Index Number.

Unit 4: Output and Employment

(Periods -15)

4.1 Say's Law of Market.

4.2 Keynesian Theory of Employment.

4.3 Consumption Function: Average Propensity to Consume (APC), Marginal Propensity to Consume (MPC), Factors affecting Consumption function.

4.4 Investment Function, Concept of Multiplier.

Reference Books:

1. Jhingan M.L., Macro Economic Theory, Vrinda Publication, Delhi.
2. Mithani D.M., Monetary Theory, Vota and Company, Mumbai.
3. Mithani D.M., Macro Economics, Himalaya Publishing House.
4. Dewett K.K., Modern Economic Theory, S. Chand & Co., Ltd., New Delhi.
5. Ackley G, Macro Economics: Theory and Policy, Macmillan, New York.
6. Keynes J.M., General Theory of Employment, Interest and Money, Macmillan and Co. London.
7. Seth M.L., An Introduction to Keynesian Economics, Lakshmi Narain Agarwal, Agra.
8. Fisher Irving, The purchasing power of money, Macmillan New York.
9. Shaprio Edward, Macro Economic Analysis, Galgotia Publication's New Delhi.
10. Dwivedi D. N (2017) Macro Economics – Theory and Policy; Mc Graw Hill Education
11. Ahuja H. L (2017) Advanced Economic Theory; S. Chand & Company, New Delhi