

## **REVISED SYLLBUS**

### **B.A. Part- II (Economics)**

#### **Subject : Macro Economics, Paper-I (Code: 0181)**

##### **UNIT 1**

National Income: Concept and measurement of national income, Economic welfare and national income, Social accounting. Circular flow of income, National income accounting, Green accounting Classical theory of employment, Say's law of market Keynesean theory of employment.

##### **UNIT 2**

Consumption Function - Average and marginal propensity to consume, Keynes's psychological law of consumption. Determinants of the consumption function. The saving function. The investments multiplier and its effectiveness, The investment Function - marginal efficiency of capital, Autonomous and induced investment. Saving and investment equality.

##### **UNIT 3**

Nature and Characteristics of trade cycle, Theories of trade cycle: Hawtrey's monetary theory, Hayek's over investment theory, Keynes's view on trade cycles, Schumpeter's theory of innovation, Samuelson and Hicks multiplier accelerator model, Control of trade cycle.

##### **UNIT 4**

International Trade - Inter-regional and international trade, Comparative advantage cost theory, Opportunity cost theory and Heckscher Ohlin theory, International trade and economic development, Tariffs & import quotas, Concept of optimum tariff. Balance of trade & balance of payment., Concept & components of BOP, Equilibrium & disequilibrium in BOP, Relative merits & demerits of devaluation, Foreign trade multiplier.

##### **UNIT 5**

Functions and objectives of international monetary fund, World Bank and World Trade Organization, International monetary reforms and India, Foreign trade in India recent change in the composition and direction of foreign trade, India's balance of payment, Export promotion and import substitution in India. Multinational Corporation and India.

##### **BASIC READING LIST -**

- Ackley, G. (1976) – “ Macro Economics; Theory and Policy,” Mcmillan Publishing Company, Newyork.
- Day, A.C.L. (1960) – “Outline of Monetary Economics,” Oxford University Press Oxford.
- Gupta, S.B. (1994)- “Monetary Economics,” S. Chand and Co., Delhi
- Heijdra, B.J. and F.V. Ploeg (2001) – “Foundations of Modern Macro-economics,” Oxford University Press, Oxford.
- Lewis, M.K. and P.D. Mizan (2000) –“ Monetary Economics, “ Oxford University Press, New Delhi.
- Shapiro, E. (1996) – “Macroeconomic Analysis,” Galgotia Publications, New Delhi .

**READING LIST** - - Ackley, G. (1976),” Macroeconomics : Theory and Policy”, Macmillan Publishing Company, New York. -

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- Lewis, M.K. and P.D. Mizan (2000) - Monetary Economics, Oxford University Press, New Delhi.
- Shapiro, E. (1996) – “Macroeconomic Analysis,” Galgotia Publications, New Delhi.
- Dillard, D. (1960)- “The Economics of John Mayanand Keynes, “Crossby Lockwood and Sons, London.
- Hanson, A.H. (1953), “A Guide to Keynes, “ McGraw Hill, New York.
- Higgins, B. (1963), “Economic Development; Principles, Problems and Policies, “ Central Book Depot, Allahbad.
- Keynes, J.M. (1936), “The General Theory of Employment, Interest and Money,” Macmillan, London.
- Kindleberger, C.P. (1958), “Economic Development,” McGraw Hill Book company, New York.
- Powelson, J.P.C. (1960), “ National Income and Flow of Funds Analysis,” McGraw Hill, New York.

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## **REVISED SYLLBUS**

### **B.A. Part- II (Economics)**

#### **Subject : Money, Banking and Public Finance, Paper-II (Code: 0182)**

##### **UNIT 1**

Basic concepts : Money - meaning and functions, Gresham's law; Quantity theory of money- Cash transaction and cash balance approaches; Value of Money, Inflation, deflation and reflation, types, causes and effects on different sectors of the economy; Demand pull and cost push inflation; Measures to control inflation. Phillips curve, Concept of demonetization.

##### **UNIT 2**

Commercial banking- meaning and types; Functions of commercial banks, The process of credit creation, purpose and limitations; Liabilities and assets of banks; Evolution of commercial banking in India after independence; A critical appraisal of the progress of commercial banking after Nationalization, Functions of a central bank; Quantitative and qualitative methods of credit control; Bank rate policy; Open market operations; Variable reserve ratio and selective methods. Role and functions of the Reserve bank of India; Objectives and limitations of monetary policy with special reference to India.

##### **UNIT 3**

Meaning and scope of public finance; Distinction between private and public finance; public goods v/s private goods; The Principle of maximum social advantage; Role of the government in economic activities ; Public expenditure - Meaning, classification and principles of public expenditure; Trends in public expenditure and causes of growth of public expenditure in India.

##### **UNIT 4**

Sources of Public revenue; taxation - Meaning, Canons and classification of taxes; Division of tax burden. The benefit and ability to pay approaches; Impact and incidence of taxes; Taxable capacity; Effects of taxation; Characteristics of a good tax system; Equity and Justice in Taxation, Major trends in tax revenue of the Central and State Government in India.

##### **UNIT 5**

Public debt and financial administration: Sources of public borrowing, Effects of public debt. Methods of debt redemption. The public budget- Kinds of budget, Economic and functional classification of the budget; Preparation and passing of budget in India.

## READING LIST -

- Ackley G. (1978), "Macroeconomics : Theory and Policy," Macmillan Publishing Co., New York.
- Bhargavas B.H. (1981), "The Theory and Working of Union Finance in India," Chaitanya Publishing House Allaybad.
- Gupta, S.B. (1994)," Monetary Economics", S. Chand & Company, New Delhi.
- Houghton. E.W. (Ed.) (1988), "Public Finance." Pengum, Battinore - Jha R. (1998), Modern Public Economics. Routledge, London.
- Mithani, D.M. (1981), "Modern Public Finance," Himalaya Publishing House, Mumbai.
- Musgrave, R.A. and P.B. Musgrave (1976)," Public Finance in Theory and Practice", McGraw Hill, Kogakusha, Tokyo.
- Shapiro, E. (1996), "Macroeconomics Analysis," Galgotia Publications, New Delhi.

## ADDITIONAL READING LIST

- Day, A.C.L. (1960), "Outline of Monetary Economics, " Oxford University Press, Oxford.
- De Kock, M.H. (1960)," Central Banking." Staples Press, London.
- Due, J.E. (1963), "Government Finance," Irwin, Homewood.
- Government of India, "Economic Survey" (Annual), New Delhi
- Halm, G.N. (1955), "Monetary Theory," Asia Publishing House, New Delhi