

**SEMESTER- II****Macro Economics – II**

Course Code	25513 - ECM203-1C
Course Type	Core
Credit	04
Contact Hours	04 Hours in a week
Course focusing on	Employability and Knowledge enhancement
Relevance of course to	Local, National, Regional and Global level
Relation to	Working of Multiplier, Demand for Money and Business Cycles

Course Objectives

1. To familiarize the students with the concept of multiplier and its applications.
2. To acquaint students with the concepts of demand for money, supply of money, and inflation.
3. To provide knowledge about business cycles.

Course Outcomes

On completion of the course students will understand

1. the relationship between the multiplier and other economic variables.
2. the determinants and significance of demand and supply of money.
3. to analyze the different types of inflation and business cycles.

Unit	Detailed Syllabus	Teaching Hours	Weightage of Marks
1	Keynesian Multiplier: Concepts, Relation between Multiplier, MPC and MPS, Comparative Static and Dynamic Process. Working of Multiplier in UDC'S. Acceleration Principle and Concept of Super Multiplier.	15	25
2	The Demand for Money: Concepts, Functions and Significance Quantity Theory of Money -Fisher's Approach and Cambridge Approach, Keynesian Liquidity Theory of Money, Supply of Money: Meaning and Determinants, High Powered Money and Money Multipliers	15	25
3	Meaning, Causes and Effects of Inflation, Types of Inflation The Classical Theory of Inflation, Demand Pull and Cost Push Inflation. Phillips Curve in Short run and Long run.	15	25
4	Meaning, Nature and Features of Business Cycles, Types and Phases of Business Cycles, Keynes View of Trade Cycles, Theories of Trade Cycles (Hicks and Samuelson). Rate of Interest: Classical and Keynesian Theories of Interest.	15	25
	Total	60	100



Mode of Evaluation

Continuous and Comprehensive Evaluation (CCE) - 50% (components as prescribed by the University)

Semester End Exam (SEE) - 50% (as prescribed by the University)

List of Reference Books

1. Ackley, G. (1978). *Macroeconomics: Theory and Policy*, MacMillan, New York.
2. Blackhouse, R. and A. Salnsi (Eds.). (2000). *Macroeconomics and the Real World*, (2Vol.), Oxford University Press, London.
3. Branson, W.A. (1989). *Macroeconomic Theory and Policy*, Harper and Row, New York.
4. Culberston, J.M. (1958). *Macroeconomic Theory and Stabilization Policy*, McGraw Hill, Kogekosh, Tokyo.
5. D'Souza, Errol. (2008). *Macroeconomics*, Pearson Education, Delhi.
6. Dornbusch, R. and F. Stanley. (1997). *Macroeconomics*, McGraw Hill, New York.
7. Duesenberry, J.S. (1949). *Income, Saving and the Theory of Consumer Behavior*, Harvard University Press, Harvard.
8. Friedman, M. (1956). *Studies in the Quantity Theory of Money*, The University of Chicago Press, Chicago.
9. Frisch, H. (1983). *Theories of Inflation*, Cambridge University Press, Cambridge.
10. Gordon, R. and S.G. Harris. (1998). *Macroeconomics*, Addison Wesley.
11. Gupta, S.B. (1995). *Monetary Planning in India*, Oxford University Press, New Delhi.
12. Hagger, A.J. (1977). *Inflation: Theory and Policy*, MacMillan, London.
13. Jha, R. (1991). *Contemporary Macroeconomics Theory and Policy*, Wiley Estern Ltd., New Delhi.
14. Keynes, J.M. (1936). *The general theory of Employment, Interest and Money*, MacMillan, London.
15. Patinkin, D. (1965). *Money, Interest and Prices*, Harper and Row, New York.
16. Rakshit, M. (1998). *Studies in the Macroeconomics of Developing Countries*, Oxford University Press, New Delhi.
17. Rao, V.K.R.V. (1983). *India's National Income: 1950 to 1980*, Sage Publications, New Delhi.