



B.Com SEMESTER- II
Principles of Economics – II

Course Code	25327 - ECMDC202-1C
Course Type	Multidisciplinary
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	National Income, Theories of Income, employment, consumption, investment

Course Objectives

1. To comprehend and differentiate micro and macroeconomics
2. To understand the concepts of income, employment, and behavioral sciences in the context of consumption.
3. To provide the basic knowledge of national income, capital, and investment.

Course Outcomes

On completion of the course students will understand

1. the measures of national income and the circular flow of income.
2. the various theories of income and employment.
3. the marginal efficiency of capital and the factors that influence it.

Unit	Detailed Syllabus	Teaching Hours	Weightage of Marks
1	Nature and Scope of Macro Economics, Difference between Micro and Macro Economics, Importance of Macro Economics- Concepts, Measurement and limitations of National Income Statistics, Circular flow of Income in Two, Three and Four Sector Economy.	15	25
2	Say's law of Market, Classical Theory of Income and Employment, Keynesian Theory of Income and Employment, Principle of Effective Demand. Comparison between Classical and Keynesian Theory.	15	25
3	Consumption Function: Meaning and Technical Attributes. Significance of MPC, Keynesian Psychological Law of Consumption and its Implications Short run & Long run Consumption Curves.	15	25
4	Meaning of Capital and Investment, Types of Investment Marginal Efficiency of Capital (MEC). Relation between MEC and MEI, Factors affecting Inducement to Invest.	15	25
	Total	60	100



Mode of Evaluation

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

Semester EndExam (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 Behaviour, 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.