

**II. GENERIC ELECTIVE (GE 3A)**

(Credits: Theory-05, Tutorial-01)

**Marks : 100 (ESE 3Hrs) =100****Pass Marks Th ESE = 40*****Instruction to Question Setter for  
End Semester Examination (ESE):***

There will be **two** group of questions. **Group A is compulsory** and will contain three questions. **Question No.1 will be very short answer type** consisting of ten questions of 1 mark each. **Question No.2 & 3 will be short answer type** of 5 marks.

**Group B will contain descriptive type** six questions of 20 marks each, out of which any four are to answer.

**Note:** There may be subdivisions in each question asked in Theory Examinations.

**MACRO ECONOMICS****Theory: 75 Lectures; Tutorial: 15 Lectures**

**Objectives:** The course aims with providing the students with knowledge of basic concepts of The macro economics. The modern tools of macro - economic analysis are discussed and the policy framework is elaborated, including the open economy.

**Unit I :**

Introduction – concepts and variables of macroeconomics, income, expenditure and the circular flow, components of expenditure. Static macroeconomic analysis short and the long run – determination of supply, determination of demand, and conditions of equilibrium.

**Lectures: 5****Unit II :**

Economy in the short run – IS- LM framework, fiscal and monetary policy, determination of aggregate demand, shifts in aggregate demand, aggregate supply in the short and long run, and aggregate demand, aggregate supply analysis.

**Lectures: 20****Unit III :**

Inflation, causes of rising and falling inflation, inflation and interest rates, social costs of inflation. Unemployment – natural rate of unemployment, frictional and wait unemployment.

**Lectures: 20****Unit IV :**

Labour market and its interaction with production system, Phillips Curve, the trade-off between inflation and unemployment, sacrifice ratio, role of expectations, adaptive and rational.

**Lectures: 10****Unit V :**

Behavioural Foundations – Investment – determinants of business fixed investment, effect of tax, determinants of residential investment and inventory investment. Demand for Money – Portfolio and transaction theories of demand for real balances, interest and income elasticity of demand for real balances. Supply of money.

**Lectures: 20****Suggested Readings:**

- ☐ Mankiw, N.Gregory. Principle Macroeconomics. Cengage Learning
- ☐ Dornbusch, Rudiger, and Stanley. Fischer, Macroeconomics. McGraw-Hill.
- ☐ Dornbusch, Rudiger., Stanley. Fischer and Richard Startz, Macroeconomics.Irwin/McGraw Hill.
- ☐ Deepashree, Macroeconomics, Scholar Tech. New Delhi
- ☐ Barro, Robert.J. Macroeconomics, MIT Press, Cambridge MA.
- ☐ Burda Michael, Wyplosz. Macroeconomics A European Text. Oxford University Press, Oxford.
- ☐ Salvatore, Dominick. International Economics. John Wiley & Singapore.
- ☐ Branson, William. H Macroeconomic Theory and Policy. Harper Collins India Pvt. Ltd.

**III. GENERIC ELECTIVE (GE 3B)**

(Credits: Theory-05, Tutorial-01)

**Marks : 100 (ESE 3Hrs) =100****Pass Marks Th ESE = 40*****Instruction to Question Setter for******End Semester Examination (ESE):***

*There will be two group of questions. **Group A is compulsory** and will contain three questions. **Question No.1 will be very short answer type** consisting of ten questions of 1 mark each. **Question No.2 & 3 will be short answer type** of 5 marks. **Group B will contain descriptive type** six questions of 20 marks each, out of which any four are to answer.*

**Note:** *There may be subdivisions in each question asked in Theory Examinations.*

**MONETARY ECONOMICS****Theory: 75 Lectures; Tutorial: 15 Lectures**

**Unit-I: Money** – An introduction, definition and classification of money, function and importance of money in capitalism, socialism & Mixed economy, merits & demerits of money. **(Lectures 15)**

**Unit-II: Monetary Standard, Value of money** – The supply and demand theory of money, Quantity theory of Money, Income theory of money. **(Lectures 15)**

**Unit-III: Inflation, Deflation & Reflation** – Causes and effects on different classes of people, Money Market **(Lectures 15)**

**Unit-IV: Foreign Exchange** – Determination of rate of Exchange, a brief outline of purchasing power Parity Theory (PPP), Gold Standard, Break down of Gold Standard. **(Lectures 15)**

**Unit-V: International Monetary Fund** – its working & present position, Balance of Payment, Free Trade Vs. Protection. **(Lectures 15)**

**Suggested Readings:**

- ☐ M.Y. Khan – Indian Financial System, T.M.H. New Delhi.
- ☐ Dr. Harish chandra Sharma – Money & Banking, SBPD Publications.
- ☐ Suraj B. Gupta – Monetary Economics, S.Chand Publications.
- ☐ H.L Ahuja – Monetary Economics, S.Chand Publications.