



SOMAIYA
VIDYAVIHAR

K J Somaiya College of Arts & Commerce



K. J. SOMAIYA COLLEGE OF ARTS AND COMMERCE
VIDYAVIHAR, MUMBAI-77

(Autonomous)

Re-accreditation by NAAC with 'A' Grade and CGPA 3.33

College with Potential for Excellence by UGC

(Affiliated to University of Mumbai)

SYLLABUS
AND
SCHEME OF EXAMINATION

Program: B.A.

Course: Economics

SEM III

As per

CHOICE BASED CREDIT & GRADING SYSTEM

(75-25 Marks Pattern)

(with effect from academic year : 2020-21)

1. Name of the Programme	:	Bachelor of Arts (B.A.)
2. Paper No.	:	II
3. Course Title	:	Macroeconomics
4. Course Code	:	UAECO 301
5. No. of Credits	:	3
6. No. of Lecture	:	45
7. No. of Lectures Per week	:	3

Preamble:

This paper introduces the basic knowledge of Macro Economics which includes various concepts of National Income, Classical Approach on Say's Law and Keynesian Approach on consumption, Investment and employment, Money, Supply of and Demand for Money, Inflation, its causes, effects and measures to control Inflation. This is revised paper in which Case studies on Hyperinflation of Germany and Economic crisis of Venezuela is included. Apart from this, second section of paper introduces Banking system in India, Banking sector reforms, Public Finance and Allocation of resources in federal system.

Objectives: The Board of Studies in Economics has revised the syllabi of S.Y.B.A. Macro Economics Paper-II which will be made effective from the Academic Year 2020-21. The objective of the course is to familiarize the students with the basic concepts of Macro Economics and its application which prepares students for employment and further study for M.A, MBA, Civil services, IES and other competitive Examinations.

Course Outcome:

At the end of the course, learners will be able to

CO1: Define of basic concepts of Macroeconomics variables and its ways of working. Examine the classical and Keynes economics and various theories related to consumption, investment, and demand for money and various macroeconomic frameworks

CO2: Enhance the analytical skills of the student towards understanding the economy through the application of various concepts such as national income, inflation, and hyperinflation.

CO3: Estimate the national income, consumption, investment multiplier and money multiplier for practical uses purposes.

CO4. Develop the skill to elaborate the impact of macroeconomic policies on the state of the economy.

Module I: Introduction to Macroeconomics:

(15 Lectures)

Meaning and Scope of Macroeconomics, Circular flow of National Income: Closed (Two and Three sector Models) and Open Economy Models, Concepts of National Income aggregate: GNP, NNP, GDP, NDP, Per Capita Income, Personal Income and Disposal Income, Methods and difficulties in Measurement of National Income, Trade Cycles: Features, Phases and measures to control trade cycle.

Module II: Consumption, Investment and Employment:

(15 Lectures)

Classical approach: Say's law of market, - Keynesian approach: Theory of Effective demand, Consumption function, Investment Function– Marginal Efficiency of Capital and Rate of Interest, Concept of Multiplier: The Investment Multiplier, Working, Leakages and Limitations of Multiplier, Acceleration Principle and its operation.

Module III: Money, Supply of and Demand for Money, Inflation: (15 Lectures)

Concept and function of Money, Supply of money: Concept - Constituents – Determinants of Money Supply, High Powered Money and Money Multiplier, Velocity of Circulation of Money - RBI Approach to Measurement of Money Supply, Monetary and Liquidity Aggregates - Demand for Money: Classical Neo-Classical, Keynesian, Liquidity Trap - Inflation: Meaning and Causes of Inflation, Effects of Inflation, Measures to control inflation, Hyperinflation: Germany, Venezuela.

REFERENCES:

1. Ahuja H.L. (2008), Macroeconomics Theory & Policy, S. Chand & Company Ltd., Ram Nagar, New Delhi.
2. Datt R. & K. P. M. Sundaram (2010), Indian Economy, S. Chand & Company Ltd., New Delhi.
3. Dwivedi D.N. (2007), Macroeconomics Theory & Policy, Tata McGraw-Hill Publication Company Ltd., Delhi.
4. Gupta S.B. (1994), Monetary Economics, S. Chand & Company, Delhi.
5. Gupta S.G. (2001), Macroeconomics Theory & Applications, Tata McGraw-Hill Publication Company Ltd., Delhi. Mankiw N. Gregory (2005), Macroeconomics, Worth Publisher, 41, Madison Avenue, New York.
6. Mankiw N. Gregory (2005), Macroeconomics, Worth Publisher, 41, Madison Avenue, New York.
7. McConnel, C. R. & H. C. Gupta (1984), Introduction to Macro Economics, Tata McGraw-Hill Publishing company Ltd., New Delhi.
8. Misra, S. K. & V. K. Puri (2010), Indian Economy: Its Development Experience, Himalaya Publishing House, Mumbai.
9. Rudiger Dornbusch, Stanley Fischer and Richard Startz (2007) Macroeconomics, 7th or later edition, McGraw Hill.
10. Stonier A.W. & D.C. Hague (2004), Textbook of Economic Theory, Pearson Education, Delhi.

Scheme of Examination

The performance of the learners shall be evaluated into two parts. The learner's performance shall be assessed by Internal Assessment with 25% marks in the first part by conducting the Semester End Examinations with 75% marks in the second part. The allocation of marks for the Internal Assessment and Semester End Examinations are as shown below:-

(A) Internal Assessment: 25 Marks (25%)

Sr. No	Evaluation type	Marks
1	One Periodical class Test/Project/ Field Visits	20
2	Active participation in routine class instructional deliveries (case studies/ seminars//presentation)	05

Sample questions for internal examination are as follows: (Each question carries 1 mark)

- 1) Macro economics is concerned with the analysis and behavior of _____
 a) whole economy b) Firm c) single unit d) individual consumer .
- 2) According to J.B.Say ,Supply creates its own _____
 a) supply b) demand c) firm d) Industry.
- 3) Demand for L1 means _____ cash balance
 a) idle b) active c) ideal d) zero .

(B) External Theory Examination: 75 Marks (75%)

- Duration –2.30 Hours
- There shall be FIVE questions each of 15 marks on each module.
- All questions shall be compulsory with internal choice within the questions.
- Questions may be subdivided into sub-questions a, b, c and the allocation of marks shall depend on the weightage given to the topic.
- Fifth question is short note which will be based on all modules.

Questions	Modules	Marks
Q.1	Based on Module – 1	15
Q.2	Based on Module – 2	15
Q.3	Based on Module – 3	15
Q.4	Based on All Modules	15
Q.5	Based on All Modules	15
	Total Marks	75

COMPOSITION OF SUBJECT BOARD

SUBJECT- ECONOMICS

Head of Department	Mrs. Jayashree Kotak Head of Economics Department K.J Somaiya College of Arts & Commerce, Vidyavihar, Mumbai 77
Faculty from the Department	Dr. (Smt) Shubhangi Patil Dr. Mahendra Mishra Dr. Sunil Chandanshive Mrs. Deepali Keluskar Dr. (Miss) Flora Pandya
Subject Expert (Nominated by Academic Council)	Smt. Aditi Sawant Associate Professor and Head, Department of Economics, St. Xavier's College, Autonomous Mumbai- 400001
Professional Experts (Nominated by Principal)	Prof. R. Rama kumar Professor, School of Development Studies Tata Institute of Social Sciences New Campus, Deonar, Mumbai 400088 Miss Dr.Ruby Ojha Professor and Head Department of Economics 4 th floor, Annex Building, SNDT Women's University, 1, N T Road, New Marine Lines, Mumbai- 400020
Industry Representative	Shri. Gopal Chande Deputy Manager Axis Asset Management Co. Ltd. Axis House, 1 st Floor, C-2 Wadia International Centre, Pandurang Budhakar Marg, Worli, Mumbai – 400 025.
Students Alumnus	Mr. Akash Amal D/6, Rajrajeshwari Society Narayan Nagar, LBS Road, Ghatkopar (West) Mumbai - 86 Miss. Mitu Daga Executive Agricultural Policies and Outreach UPL Pvt. Ltd. CST No 610 B/2, Behind, Off Western Express Highway, Teachers' Colony, Bandra (East), Mumbai – 400051.