

B.A.LL.B (Hons.) 5 YEARS INTEGRATED COURSE

SEMESTER-II

Course Code	ECO162
Course Title	Economics-II
Type of Course	Core
L T P	5 1 0
Credits	6
Course Prerequisites	12th
Course Objectives (CO.)	The objective of the course is to introduce the students about macroeconomic analysis which help them to understand the way in which the overall economy operates

UNIT-I

Introduction to Macroeconomics, Importance and scope of Macroeconomics,

National Income: Meaning and Concept, Intermediate and final output. Methods of measuring National Income. Problems in measuring National Income. Circular Flow of Income; Two sector model

UNIT-II

Classical Theory of Income Output and Employment

Determination Say's Law of market, Keynes Theory of Income Output and Employment.

Classical theory versus Keynes theory of income and employment. Effective demand; Principle of effective demand.

Consumption Function; Concepts of consumption function. Attributes of consumption function, Factors affecting propensity to consume, Psychological law of Consumption

UNIT-III

Investment function, Types of Investment, Determinants of induced Investment, Factors affecting investment decisions,

Multiplier; Concept of multiplier, Working of the multiplier, Importance and Leakages of Multiplier

Introduction to IS Curve and LM Curve, Inflation; meaning and Types of inflation, Causes of inflation and impact of inflation, Demand pull inflation, Cost push inflation, Control of inflation, Phillips curve

Business cycles; meaning, its phases

UNIT-IV

Monetary policy, Role of monetary policy, Instruments of monetary policy, Fiscal policy; role of fiscal policy, Instruments of fiscal policy, Latest fiscal and monetary policy of RBI 2 Balance of payment, meaning.

Suggested Readings:

- Ackley, G. Macro Economics: Theory and Policy. New Delhi. Macmillan publishers. Latest edition.
- Branson, William H. Macro-Economic Theory and Policy. Latest edition.
- Dornbusch, R., S. Fisher and R. Startz. Macro Economics. New Delhi. Tata Mc. Graw Hill. Latest edition.
- Rana, K.C. and Verma, K.C. Macro-Economic Analysis. Jalandhar. Vishal Publishing Co. Latest edition. 5. Shapiro, E. Macroeconomic Analysis. New Delhi. Galgotia Publications. Latest edition