

BA II Year	BEC-C301: Principles of Macroeconomics-I		Semester 3
Marks Allotted for Internal Assessment	Marks Allotted for End Semester Examination (ESE)	Maximum Marks	Total Credits
30	70	100	6
Learning Outcomes: Student will be able to <ul style="list-style-type: none"> • Recognize the domain of the macroeconomic branch in economics. • Explain and calculate national income and various concepts related to national income. • Relate factors determine national income such as consumption, saving and investment. • Understand the monetary approach to macroeconomic thought. 			
Unit 1	INTRODUCTION: What is macroeconomics? Macroeconomic issues in an economy		
Unit 2	NATIONAL INCOME ACCOUNTING: Concepts of GDP and National Income; measurement of national income and related aggregates; nominal and real income; limitations of the GDP concept.		
Unit 3	DETERMINATION OF GDP: Actual and potential GDP; aggregate expenditure; consumption function; investment function; equilibrium GDP; concepts of MPS, APS, MPC, APC; autonomous expenditure; Concept of multiplier.		
Unit 4	NATIONAL INCOME DETERMINATION IN AN OPEN ECONOMY WITH GOVERNMENT: Fiscal Policy: impact of changes in government expenditure and taxes; net exports function; net exports and equilibrium national income.		
Unit 5	MONEY IN A MODERN ECONOMY: Concept of money in a modern economy; monetary aggregates; demand for money; quantity theory of money; liquidity preference and rate of interest; money supply and credit creation; monetary policy.		
Suggested Readings: <ul style="list-style-type: none"> • Dornbusch, Fischer and Startz, Macroeconomics, McGraw Hill, 11th edition, 2010. • N. Gregory Mankiw. Macroeconomics, Worth Publishers, 7th edition, 2010. • Olivier Blanchard, Macroeconomics, Pearson Education, Inc., 5th edition, 2009. • Richard T. Froyen, Macroeconomics, Pearson Education Asia, 2nd edition, 2005. • Andrew B. Abel and Ben S. Bernanke, Macroeconomics, Pearson Education, Inc., 7th edition, 2011. 			

Saxena

Am