

Semester III

Paper Title: VEC: Theory of Income and Employment
Credits: 02
Subject Code:
Lectures: 30 Clock Hours

Unit 1: Introduction to Macro Economics and National Income Accounting

- 1.1 Meaning, Nature and Scope of Macro Economics
- 1.2 Meaning and Importance of National Income Accounting
- 1.3 Various Concepts of National Income: GDP, GNP, NNP, NDP at market price and factor cost, PCI, Personal Income, Disposable Income
- 1.4 Measurement of National Income: Methods and Difficulties
- 1.5 Circular Flow of Income: Two and Three sector model

Unit 2: Theories of Output and Employment

- 2.1 Classical Theory of Employment (J.B. Say)
- 2.2 Keynes Criticism of Classical Theory
- 2.3 Keynesian Theory of Employment.
- 2.4 Keynes Theory: An improvement over Classical theory

Unit 2: Savings & Investment

- 3.1 The Consumption Function: Meaning & Determinants
- 3.2 Keynes's Psychological Law of Consumption.
- 3.3 The Saving Function: Meaning & Determinants
- 3.4 Relationship between Consumption and Saving Function (MPC and MPS)
- 3.5 Investment Function

Semester IV

Paper Title: VEC: Monetary Economics
Credits: 02
Subject Code:
Lectures: 30 Clock Hours

Unit 1: Money

- 1.1 Meaning, Evolution and Functions of Money
- 1.2 Demand for Money: Classical & Keynesian Approach
- 1.3 Supply of Money: Credit Creation of Commercial Banks,
- 1.4 Money Measure of RBI (M1, M2, M3 & M4)
- 1.5 Credit Control Methods.

Unit 2: Value of Money

- 2.1 Quantity theory of Money: Classical
- 2.2 Cash Balance Approach: Marshall, Pigou, Robertson, and Keynes
- 2.3 Post Keynesian Theories

Unit 3: Inflation Deflation & Business Cycles

- 3.1 Inflation: Meaning, Types, Causes & Effects
- 3.2 Deflation: Meaning, Types, Causes & Effects
- 3.3 Stagflation: Meaning and Causes
- 3.4 Business Cycles: Features & Phases
- 3.5 Monetary and Fiscal Policy

Reference Books:

1. Economics: Paul A Samuelson and William D Nordhaus. McGRAW – HILL International Edition.
2. Macroeconomics: N. Gregory Mankiw, Worth Publishers, New York.
3. Macro- Economic Theory: M L Zingales, Vrinda Publications (P) Limited.
4. Samashti Arthshastriy Vishleshan : Shridhar Deshpande, Vinayak Deshpande, Himalaya Publication House.
5. Theories of value: output and employment - John Eatwell, Thames Polytechnic, 1979
6. Business Economics, Dr.J.P.Mishra, Sahitya Bhavan Publications, Agra.
7. Macroeconomics: Theory and Policy, S. Chand & Company Limited. (Latest Edition)
8. Macroeconomics- K R Gupta, R.K.Mandal, Amita Gupta, Atlantic Publishers and distributor's pvt.ltd.
9. An Analysis of John Maynard Keynes's The General Theory of Employment, Interest and Money- John Collins, CRC Press, 2017.