

B.A - ECO - MAJ-A-2 Macro Economics

Maximum Marks: 100

Internal Assessment: 30 Marks

External Assessment: 70 Marks

Pass Marks: 40 % of Maximum Marks*

(*separately in Internal and External)

Time Allowed: 3 Hours

INSTRUCTIONS TO THE PAPER-SETTER

The question paper will consist of three sections: A, B and C. Sections A and B will have four questions each, carrying 12 marks each. Section C will be compulsory, consisting of 11 short-answer type questions, carrying 2 marks each (each to be answered in about 100 words) which will cover the entire syllabus uniformly.

INSTRUCTIONS FOR THE CANDIDATES

Candidates are required to attempt five questions in all, selecting two questions from each of the Sections A and B, and the entire Section C

SECTION -A

Macro Economics: Meaning, Scope and importance of macro economics, Difference between micro and macro economics.

National Income: Concepts of National Income - GDP, GNP, NDP and NNP at market prices and factor cost; Measurement of National Income: Product, Income and Expenditure methods; Difficulties in the calculation of national income.

Circular flow of Income and Expenditure: Importance of circular flow. Circular flow in two, three and four-sector economy.

Macro Economic Theory: Classical Theory of Income and Employment; Say's Law of market; Implications of Say's Law; Keynesian Theory of Employment, Principle of Effective Demand - Determinants of effective demand, Importance of effective demand.

SECTION-B

Consumption Function: Average and Marginal Propensity to Consume; Factors affecting consumption; Keynes' Psychological Law of Consumption.

Investment Function: Meaning and types; Determinants of Investment - Marginal Efficiency of Capital & Rate of Interest; Factors affecting investment decisions.

Inflation: Concept, Types, Causes and Effects. Theories of Inflation: Demand pull and Cost-push; Control of Inflation.

Trade Cycles: Meaning and Phases.

RECOMMENDED READINGS

1. T.F. Dumbarg and McDougal: Macro Economics, McGraw Hill, New York, 1976 (full book):
2. O.P. Sharma: Macro Economics (Punjabi Medium), Punjabi University, Patiala.
3. M.C. Vaish, Macro Economic Theory, Vikas Publishing House, New Delhi.
4. Harvey J and Johnson M: Introduction to Macro Economics, McMillan and London.
5. R.D. Gupta: Keynes Post-Keynesian Economics, Kalyani Publications, Ludhiana.
6. P.N. Chopra: Macro Economics, Kalyani Publications, Ludhiana.
7. H.L. Ahuja: Macro Economics-Theory and policy, S. Chand, New Delhi.
8. Rana and Verma: Macro Economic Analysis, Vishal Publishing House, Delhi.
9. Edward Shapiro: Macro Economic Analysis Galgotia publications, New Delhi.
10. D.N. Dwivedi: Macro Economics Theory and Policy, McGraw Hill Education, Pvt Limited, Chennai.

Handwritten signatures:
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Gobind