

NIRMA UNIVERSITY
Institute of Commerce
Bachelor of Commerce (Hons.)
[B.Com. (Hons.)]
Semester – II

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Course Code	GE3
Course Title	PRINCIPLES OF MACRO ECONOMICS

Course Learning Outcomes (CLO):

At the end of the course, students should be able to:

1. describe the macroeconomics concepts like national income, money & consumption function, and investment function.
2. explain the relationships across different macroeconomic variables.
3. elaborate the relevance of monetary and fiscal policy.

Syllabus

Teaching Hours

Unit I: Introduction <ul style="list-style-type: none"> • Macroeconomics: Goals & Instruments • National Income: Concepts and Approaches 	8
Unit II: Schools of Thought <ul style="list-style-type: none"> • Keynesian and classical school of thought • Consumption • Investment • Concept of Multiplier • Role of Government 	15
Unit III: Money and Banking <ul style="list-style-type: none"> • Money demand and supply • Banking functions • Monetary and fiscal policy • Economic development and growth models (Solo Model & Harrod-Domar Model) 	15
Unit IV: External Sector <ul style="list-style-type: none"> • Capital Account: FDI, FII • Revenue Account: Trade Balance • Balance of Payment 	7

Suggested Readings:

1 Mankiw, N. G. (2016) Principles of Macro Economics. Cengage Learning.

2 Gupta, G. S. (2016) Macroeconomics theory and applications. McGraw Hill Education.

w.e.f. Academic Year 2017-18 and onwards