

Paper 1.5 – Macro Economics

M.M. 75

Unit – I

Introduction of macro economics meaning and definition, role of government in Macro economy, roots of macro economics, components of macro economy, methodology of macro economics.

Unit – II

Introduction to National Income accounting. Concepts of GDP and National Income, GDP and personal Income, Limitations of GDP concept.

Unit – III

Macro economic equilibrium: Different types of market, Labour Market, Product market, capital market. Aggregate expenditure and equilibrium output Aggregate output-input.
Fiscal Policy

Unit – IV

Monetary Economy: Characteristics of monetary economy, demand and supply of money, causes of inflation, level of prices and value of money, The fisher effect cost of inflation.

Unit – V

Exploring the Marco economics of an open economy.
Balance of Payments, determining equilibrium for output in an open economy, market for Foreign exchange, factors affecting exchange rates, effects of exchanges rates on economy.

Recommended Books:

1. Indian Economy:- Uma Kapila
2. Money, Banking & International Trade:- M.L. Jhingan
3. The Indian Economy:- Jalan, Bimal
4. Principles & Theories of Economics:- M.K. Goyal