

# University of Mumbai



No. UG/108 of 2019-20

**CIRCULAR:-**

Attention of the Principals of the Affiliated Colleges, Directors of the recognized Institutions in Humanities, Science & Technology Faculties is invited to this office Circular No. UG/191 of 2016-17 dated 03<sup>rd</sup> December, 2016 relating to the revised syllabus as per the (CBCS) for S.Y.B.A.(Sem. III & IV) F.Y.B. Sc. (Sem. I & II) Degree Programmes in Microeconomics (Sem. I & II).

They are hereby informed that the recommendations made by the Board of Studies in Economics at its meeting held on 07<sup>th</sup> June, 2019 have been accepted by the Academic Council at its meeting held on 26<sup>th</sup> July, 2019 **vide** item No.4.21 and that in accordance therewith, the revised syllabus as per the (CBCS) for the F.Y. B.Sc. (Sem. II) Paper III Macro Economics – I and **vide** item No.4.22 F.Y. B.Sc. (Sem. II) Paper IV Macro Economics – II in Economics has been brought into force with effect from the academic year 2019-20, accordingly. (The same is available on the University's website [www.mu.ac.in](http://www.mu.ac.in)).

MUMBAI – 400 032  
13<sup>th</sup> September, 2019

  
(Dr. Ajay Deshmukh)  
REGISTRAR

To

The Principals of the affiliated Colleges, and Directors of the recognized Institutions in Humanities Faculty. (Circular No. UG/334 of 2017-18 dated 9<sup>th</sup> January, 2018.)

A.C/4.21 & 4.22/26/07/2019

No. UG/108 -A of 2019-20

\*\*\*\*\*  
MUMBAI-400 032

13<sup>th</sup> September, 2019

Copy forwarded with Compliments for information to:-

- 1) The I/c Dean, Faculties of Humanities and Science & Technology
- 2) The Chairman, Board of Studies in Economics ,
- 3) The Director, Board of Examinations and Evaluation,
- 4) The Professor-cum-Director, Institute of Distance and Open Learning (IDOL),
- 5) The Director, Board of Students Development,
- 6) The Co-ordinator, University Computerization Centre,

  
(Dr. Ajay Deshmukh)  
REGISTRAR

# UNIVERSITY OF MUMBAI



## **Revised Syllabus for the F.Y.B.Sc. (Sem II) Paper III Macro Economics – I**

### **Course: Economics**

(As Per Choice Based Credit System with effect from the  
academic year 2019-20)

## Macro Economics - I

### F. Y. B. Sc. Semester – II Paper III (Academic Year: 2019 - 20)

**Preamble:** This course is designed to provide an introduction to the students about the basic building blocks of Macro Economics which will serve as a foundation throughout their career.

#### **Module – I: Introduction to Macro Economics and National Income (12 Lectures)**

Introduction: Meaning and Scope of Macro Economics; Concepts of National Income: GNP, NNP, NDP, Per Capita Income, Personal Income and Disposal Income; Methods and Difficulties in Measurement of National Income; Circular Flow of National Income: Closed Economy (Two and Three Sector) and Open Economy Models (Four Sector Model)

#### **Module – II: Consumption and Investment (12 Lectures)**

Consumption and Investment; Says Law of Market; Theory of Effective Demand; Consumption Function; Investment Function; Marginal Efficiency of Capital and Rate of Interest- Investment Multiplier

#### **Module – III: Supply of Money and Demand for Money (12 Lectures)**

Supply of Money; Determinants of Money Supply; Velocity of Circulation of Money; RBI's Approach to Measurement of Money Supply; Demand for Money: Classical, Keynesian and Friedman's Approaches

#### **Module – IV: Banking (12 Lectures)**

Banking: Commercial Bank, Functions of Commercial Banks, Multiple Credit Creation, Balance Sheet of Commercial Bank; Development in Commercial Banking Sector Since 1990-91; Central Bank: Functions of Central Bank - Traditional, Developmental, Promotional

#### Reference

- 1) N. Gregory Mankiw, (2015), Principle of Macroeconomics, 7th edition, Cengage Learning.
- 2) Abel A. B. B. S. Beranake and D. Croushore (2011), Macroeconomics, Pearson, New Delhi.
- 3) Ahuja H. L., (2008), Macroeconomics theory and Policy, S. Chand and company Ltd. New Delhi.
- 4) Dwivedi D.N., (2007), Macroeconomics theory and Policy, TATA Mcgraw - Hill Publication company Ltd. Delhi.
- 5) Dornbusch Rudiger, Fischer, Stanley and Startz, (2017) (Indian Edition), Macroeconomics Delhi: Mcgraw Hill Publication.
- 6) Paul Samuelson and William Nordhaus, (2010), Economics, Mcgraw Hill Publication.

AC- 26/07/2019

Item No.- 4.22

# UNIVERSITY OF MUMBAI



## **Revised Syllabus for the F.Y.B.Sc. (Sem II) Paper IV**

### **Macro Economics – II**

### **Course: Economics**

(As Per Choice Based Credit System with effect from the  
academic year 2019-20)

## Macro Economics - II

### F. Y. B. Sc. Semester – II Paper IV (Academic Year: 2019 - 20)

**Preamble:** This course is designed to make students aware of macroeconomic terminologies and make them familiar with macroeconomic terms and concepts in order to understand economics at aggregate level. It also aims to make the students aware about recent developments in macroeconomic literature.

#### **Module - I: Inflation (12 Lectures)**

The Economics of Depression, Hyper Inflation; Inflation: Features and Causes, Demand Pull Inflation and Cost Push Inflation, Effects of Inflation; Nature of Inflation in Developing Economy; Phillips Curve; Stagflation: Meaning, Causes and Consequences

#### **Module – II: Economic Policy (12 Lectures)**

Monetary Policy: Objectives, Instruments, Limitations, Role of Monetary Policy in Developing Economies; Fiscal Policy - Objectives, Instruments, Limitations and Role of Fiscal Policy in Developing Economies

#### **Module – III: Post Keynesian Economics (12 Lectures)**

The IS-LM Model of Integration of Commodity and Money Market; IS Curve: Derivation of IS Curve, Shift in IS Curve, Equilibrium in Goods Market; LM Curve: Derivation of LM Curve, Shift in LM Curve, Equilibrium in Money Market; Simultaneous Equilibrium in Goods and Money Market

#### **Module – IV: External Sector (12 Lectures)**

Balance of Payment: Structure, Disequilibrium in Balance of Payment, Types, Causes and Measures to Correct Balance of Payment Disequilibrium; Foreign Exchange Market: Determination of Exchange Rate: Fixed and Flexible Exchange Rate; Spot and Forward Exchange Rate; Exchange Rate Policy

#### **Reference**

- 1 Richard Froyan, (2012), Macroeconomics: Theories and policies, Pearson Education.
- 2 Eroll D'Souza, (2008), Macroeconomics, Pearson Education.
- 3 Suman Kalyan Chakravarty, (2010), Macroeconomics, Himalaya Publishing House.
- 4 N. Gregory Mankiw, (2015), Principle of Macroeconomics Cengage Learning.
- 5 Francis Cherunilam, (1999), International Economics, Tata McGraw-Hill.
- 6 Bo Soderstein, (1994), International Economics, Palgrave Macmillan.