

## Economics-Minor-SEM-II

**Paper Name: Economics**

**Paper Code: ECOGCOR02T**

**Total Contact Hours: 75 Credit: 5**

**Weekly load: 5L**

**Pre requisites:** Knowledge of Mathematics up to class -X

### **Course Objective:**

The aim of courses in Economics-II is to provide adequate exposure and develop insight about the basic principles of Macro Economics and its practical aspects which would help them to learn underlying principles of various theories they use in core macro-economic applications. The course would also inculcate innovative mindsets of the students and can create awareness of the vital role played by this area.

### **Course Outcome (CO) of Economics-II**

At the end of the course students should be able to

**CO-1:** After completion of this course the students will be able to acquire knowledge on the basic concepts of national income accounting. They will be able to calculate the values of GDP, GNP, NDP, NNP, and in the process may become familiar with the different methods of its measurement. **(Level 1-Remember; Level 5-Evaluate)**

**CO-2:** They will be able to understand the basic idea of classical system. Further, by way of gathering knowledge in the domain of the Simple Keynesian model in a closed Economy, they will be able to make out the concept of multiplier and calculate the equilibrium level of income. **(Level 2- Understand ; Level 5-Evaluate)**

**CO-3:** The students will get the concept of money and banking, Quantity Theory of Money, Keynesian Liquidity Preference, role of Central and commercial bank along with the credit creation process. **(Level 2- Understand)**

**CO-4:** The Students will get the concept regarding the type of inflation, Phillip's Curve---trade-off between inflation and unemployment. Hyperinflation, anti-inflationary policies. **(Level 1- Remember; Level 2- Understand)**

<b>Course Content</b>	<b>Teacher's Name</b>	<b>Unit wise number of classes (in hours)</b>	<b>Teaching Method</b>	<b>Teaching Hours in a semester</b>
1.National Income: National Income and its measurement-different methods and their drawbacks; GDP and GNP; Difference between Nominal and real GNP/GDP; The circular flow of income and expenditure. GNP/GDP as a true index of Nation's welfare; Concept of HDI.	<b>AM</b>	<b>20 (16L+4T)</b>	Lecture Method Project Based Learning Method ICT Method Video Based Teaching Seminar/Tutorial /assignment	<b>20</b>
2.Macroeconomic Theories: Classical Macroeconomic Theory and Keynesian Theory (concepts and historical background how they are different); Simple Keynesian Model (SKM) of Income Determination-Consumption Function–Relation between Average and Marginal Propensity to Consume- Multiplier Theory	<b>RM</b>	<b>20 (16L+4T)</b>	Lecture Method Project Based Learning Method ICT Method Video Based Teaching Seminar/Tutorial /assignment	<b>20</b>
3.Money and Banking: Functions of Money–Value of Money Different Concepts of Money: M1, M2, M3 and M4; Concepts of Bank and Non-bank Financial Intermediaries–Functions of and Credit Creation by Commercial Banks–Central Bank-Functions and Credit Control Measures.	<b>RM</b>	<b>20 (16L+4T)</b>	Lecture Method Project Based Learning Method ICT Method Video Based Teaching Seminar/Tutorial /assignment	<b>20</b>
4.Inflation: Concepts of Inflation, Deflation and Stagflation–Inflationary Gap – Distinction between Demand Pull and Cost Push Inflation-Effects of Inflation; Anti-inflationary Fiscal and Monetary Policies.	<b>AM</b>	<b>15 (12L+3T)</b>	Lecture Method Project Based Learning Method ICT Method Video Based Teaching Seminar/Tutorial /assignment	<b>15</b>

## **Recommended Text Books:**

### **National Income:**

1. Mukherjee, Debes – Essentials of Micro and Macroeconomics, New Central Book Agency (P) Ltd
2. Joydev Sarkhel – Adhunik Orthonitir Bhumika (Bengali version)
3. Nandi Ajay Kumar --Bystigoto O Somostigoto Arthaniti-

### **Macro-Economic Theory**

1. Ahuja, H.L. – Macroeconomics
2. Sarkhel Joydeb – Byastigato o Samastigato Arthaniti
3. Nandi Ajay Kumar ---Bystigoto O Somostigoto Arthaniti

### **Money & Banking**

1. Gupta, S.B – Monetary Economics, S.Chand & Co., New Delhi
2. Nandi Ajay Kumar ---Bystigoto O Somostigoto Arthaniti

### **Inflation**

1. Mukherjee, Debesh – Essentials of Micro and Macro Economics, New Central Book Agency (P) Ltd
2. Nandi Ajay Kumar ---Bystigoto O Somostigoto Arthaniti

## **Recommended Links for all the modules:**

1. <https://ncert.nic.in/textbook/pdf/leec102.pdf>
2. [https://nios.ac.in/media/documents/SrSec318NEW/318\\_Economics\\_Eng/318\\_Economics\\_Eng\\_Lesson24.pdf](https://nios.ac.in/media/documents/SrSec318NEW/318_Economics_Eng/318_Economics_Eng_Lesson24.pdf)
3. <https://edurev.in/t/379810/Chapter-Notes-Unit-1-National-Income-Accounting>
4. [https://moocs.mkclibrary.ac.in/pluginfile.php/10001/mod\\_resource/content/1/SIMPLE%20KEYNESIAN%20MODEL%20OF%20INCOME%20DETERMINATION%20IN%20A%20CLOSED%20ECONOMY.pdf](https://moocs.mkclibrary.ac.in/pluginfile.php/10001/mod_resource/content/1/SIMPLE%20KEYNESIAN%20MODEL%20OF%20INCOME%20DETERMINATION%20IN%20A%20CLOSED%20ECONOMY.pdf)
5. <https://www.economicdiscussion.net/national-income/determination/determination-of-national-income-keyness-two-sector-model/10259>
6. <https://www.economicdiscussion.net/keynesian-economics/keynesian-theory-of-income-and-employment-2/20753>
- 7.

\*Total marks of the questions set from each module should be in proportion to the number of lectures allotted.

## MD-1: UNDERSTANDING ECONOMICS

3 Credits (36L + 9T)

Course Content	Teacher's Name	Unit wise number of classes (in hours)	Teaching Hours in a semester
<p><b>1. Exploring the subject matter of Economics:</b> Why should one study Economics; Scope and methods of Economics; Distinction between Microeconomics and Macroeconomics; Problem of Scarcity and Choice – what to produce, how to produce and how to distribute the output; Economic systems (Capitalism, Socialism, Mixed Economy)</p>	AM & RM	2L+0T	2
<p><b>2. Supply and Demand: How Markets Work:</b></p> <p><input type="checkbox"/> Laws of Demand and Supply; Determinants of Individual Demand and Supply; Concept of Equilibrium; Process of trial and error and Determination of Equilibrium Price and Quantity; Shifts in the Demand and Supply curves;</p> <p><input type="checkbox"/> Markets and Competition; Types of Markets - Perfect Competition, Monopoly, Oligopoly (concepts only)</p>	AM & RM	(8L+2T)	10
<p><b>3. Macroeconomics: An Overview -</b></p> <p><input type="checkbox"/> Concepts of Gross National Product, Gross Domestic Product, National Income; Circular Flow of National Income; Real and Nominal National Income;</p> <p><input type="checkbox"/> Problem of Inflation – causes and its remedies;</p> <p><input type="checkbox"/> Difference between Growth and Development; Concept of Human Development Index</p>	AM & RM	10L+3T	13
<p><b>4. Indian Economy:</b></p> <p><input type="checkbox"/> Characteristic features of Indian Economy as a Developing Country; Sectoral Composition of National Income of India</p> <p><input type="checkbox"/> Problem of Poverty, Unemployment and Underemployment in India (overview only);</p> <p><input type="checkbox"/> Introduction to Indian Financial System; Reserve Bank of India, Commercial Banks, Development Banks; Financial Instruments – Bank Deposits, Equity Market, Mutual Funds (concepts only)</p>	AM & RM	(16L+4T)	20

**Total Lecture Hours= 45, AM= 23; RM=22**

## Session Plan

### Class-1

<b>Time (in Minute)</b>	<b>Content</b>	<b>Methodology</b>	<b>Faculty approach</b>	<b>Learner's activity</b>	<b>Learning Outcome</b>
0-10	The Definition of Macro Economics The importance of Macro Economics	Lecture	Facilitates	Participates Comments	<b>BL:</b> Analyze Intelligence: Intrapersonal Interpersonal linguistic
10-20	The difference with Micro Economics	Board Work/Screen work	Participates	Participates Observers Comments	<b>BL:</b> Understand Intelligence: Intrapersonal Interpersonal linguistic
20-40	National Income: Concept, Basic Measurements and stating different methods	Discussion with Board/Screen Work	Facilitates	Participates	<b>BL:</b> Understand Intelligence: Interpersonal Intrapersonal Linguistic
40-55	Introduction of GDP & GNP	Discussion with Board/Screen Work	Participates	Participates Observers Comments	<b>BL:</b> Understand Intelligence: Interpersonal Intrapersonal Linguistic
55-60	Summary of the season	Discussion			

## Class-2

Time (in Minute)	Content	Methodology	Faculty approach	Learner's activity	Learning Outcome
0-10	The GNP identity	PPT	Facilitates	Participates Comments	<b>BL:</b> Analyze Intelligence: Intrapersonal Interpersonal linguistic
10-20	The GDP and GNP Equations	PPT	Participates	Participates Observers Comments	<b>BL:</b> Understand Intelligence: Intrapersonal Interpersonal linguistic
20-40	The difference between GNP and GDP	PPT	Facilitates	Participates	<b>BL:</b> Understand Intelligence: Interpersonal Intrapersonal Linguistic
40-55	One numerical problem on GNP and GDP Difference	PPT	demonstrates	Computes	<b>BL:</b> Understand Intelligence: Interpersonal Intrapersonal Linguistic
55-60	Summary of the season	Discussion			

### Class-3

Time (in Minute)	Content	Methodology	Faculty approach	Learner's activity	Learning Outcome
0-10	The Concept of Nominal and Real GNP	PPT	Facilitates	Participates Comments	<b>BL:</b> Analyze Intelligence: Intrapersonal Interpersonal linguistic
10-20	The Difference between Nominal and Real GNP	PPT	Participates	Participates Observers Comments	<b>BL:</b> Understand Intelligence: Intrapersonal Interpersonal linguistic
20-40	One numerical example for understanding Nominal and Real GNP	PPT	Facilitates	Participates	<b>BL:</b> Understand Intelligence: Interpersonal Intrapersonal Linguistic
40-55	One Numerical example for GNP and GDP calculation	PPT	demonstrates	Computes	<b>BL:</b> Understand Intelligence: Interpersonal Intrapersonal Linguistic
55-60	Summary of the season	Discussion			

## Class-4

Time (in Minute)	Content	Methodology	Faculty approach	Learner's activity	Learning Outcome
0-10	Three methods of calculating National Income	PPT	Facilitates	Participates Comments	<b>BL:</b> Analyze Intelligence: Intrapersonal Interpersonal linguistic
10-20	The Income Method --The Introduction	PPT	Participates	Participates Observers Comments	<b>BL:</b> Understand Intelligence: Intrapersonal Interpersonal linguistic
20-40	The Income Method: The calculation procedure of Income Method	PPT	Facilitates	Participates	<b>BL:</b> Understand Intelligence: Interpersonal Intrapersonal Linguistic
40-55	The limitation of Income Method	PPT	demonstrates	Computes	<b>BL:</b> Understand Intelligence: Interpersonal Intrapersonal Linguistic
55-60	Summary of the season	Discussion			

## Class-5

Time (in Minute)	Content	Methodology	Faculty approach	Learner's activity	Learning Outcome
0-10	Three methods of calculating National Income	PPT	Facilitates	Participates Comments	<b>BL:</b> Analyze Intelligence: Intrapersonal Interpersonal linguistic
10-20	The Income Method --The Introduction	PPT	Participates	Participates Observers Comments	<b>BL:</b> Understand Intelligence: Intrapersonal Interpersonal linguistic
20-40	The Income Method: The calculation procedure of Income Method	PPT	Facilitates	Participates	<b>BL:</b> Understand Intelligence: Interpersonal Intrapersonal Linguistic
40-55	The limitation of Income Method	PPT	demonstrates	Computes	<b>BL:</b> Understand Intelligence: Interpersonal Intrapersonal Linguistic
55-60	Summary of the season	Discussion			

## Class-6

Time (in Minute)	Content	Methodology	Faculty approach	Learner's activity	Learning Outcome
0-10	The Expenditure Method --The Introduction	PPT	Facilitates	Participates Comments	<b>BL:</b> Analyze Intelligence: Intrapersonal Interpersonal linguistic
10-20	The Expenditure Method: The calculation procedure of Income Method	PPT	Participates	Participates Observers Comments	<b>BL:</b> Understand Intelligence: Intrapersonal Interpersonal linguistic
20-40	The limitation of Expenditure Method	PPT	Facilitates	Participates	<b>BL:</b> Understand Intelligence: Interpersonal Intrapersonal Linguistic
40-55	Question & Answer Session on Income and Expenditure Method	PPT	demonstrates	Computes	<b>BL:</b> Understand Intelligence: Interpersonal Intrapersonal Linguistic
55-60	Summary of the season	Discussion			

**Class-7**

<b>Time (in Minute)</b>	<b>Content</b>	<b>Methodology</b>	<b>Faculty approach</b>	<b>Learner's activity</b>	<b>Learning Outcome</b>
0-10	The Value-Added Method --The Introduction	PPT	Facilitates	Participates Comments	<b>BL:</b> Analyze Intelligence: Intrapersonal Interpersonal linguistic
10-20	The Value-Added Method: The calculation procedure of Income Method	PPT	Participates	Participates Observers Comments	<b>BL:</b> Understand Intelligence: Intrapersonal Interpersonal linguistic
20-40	The limitation of Value-Added Method	PPT	Facilitates	Participates	<b>BL:</b> Understand Intelligence: Interpersonal Intrapersonal Linguistic
40-55	Question & Answer Session on Income, Expenditure and Value-Added Method	PPT	demonstrates	Computes	<b>BL:</b> Understand Intelligence: Interpersonal Intrapersonal Linguistic
55-60	Summary of the season	Discussion			

## Class-8

Time (in Minute)	Content	Methodology	Faculty approach	Learner's activity	Learning Outcome
0-10	The limitations of several methods while calculating National Income	PPT	Facilitates	Participates Comments	<b>BL:</b> Analyze Intelligence: Intrapersonal Interpersonal linguistic
10-20	The Circular Flow of Income-Introduction of the concept	PPT	Participates	Participates Observers Comments	<b>BL:</b> Understand Intelligence: Intrapersonal Interpersonal linguistic
20-40	Detail discussion on the Circular Flow of Income	PPT	Facilitates	Participates	<b>BL:</b> Understand Intelligence: Interpersonal Intrapersonal Linguistic
40-55	The significance of Circular Flow of Income and certain numerical examples	PPT	demonstrates	Computes	<b>BL:</b> Understand Intelligence: Interpersonal Intrapersonal Linguistic
55-60	Summary of the season	Discussion			

## Class-9

Time (in Minute)	Content	Methodology	Faculty approach	Learner's activity	Learning Outcome
0-10	GNP/GDP true index of a nation's welfare	PPT	Facilitates	Participates Comments	<b>BL:</b> Analyze Intelligence: Intrapersonal Interpersonal linguistic
10-25	The detail discussion on the true index of nation's welfare	PPT	Participates	Participates Observers Comments	<b>BL:</b> Understand Intelligence: Intrapersonal Interpersonal linguistic
25-40	Concept of HDI	PPT	Facilitates	Participates	<b>BL:</b> Understand Intelligence: Interpersonal Intrapersonal Linguistic
40-55	The significance of HDI and the calculation process	PPT	demonstrates	Computes	<b>BL:</b> Understand Intelligence: Interpersonal Intrapersonal Linguistic
55-60	Summary of the season	Discussion			

## Class-10

Time (in Minute)	Content	Methodology	Faculty approach	Learner's activity	Learning Outcome
0-15	Recapitulation on different Methods of Calculating National Income	PPT	Facilitates	Participates Comments	<b>BL:</b> Analyze Intelligence: Intrapersonal Interpersonal linguistic
15-30	Review on The Circular Flow of Income	PPT	Participates	Participates Observers Comments	<b>BL:</b> Understand Intelligence: Intrapersonal Interpersonal linguistic
30-45	Redoing some calculations on National Income	PPT	Facilitates	Participates	<b>BL:</b> Understand Intelligence: Interpersonal Intrapersonal Linguistic
45-55	Question & Answer Sessions on true index of welfare and HDI	PPT	demonstrates	Computes	<b>BL:</b> Understand Intelligence: Interpersonal Intrapersonal Linguistic
55-60	Summary of the season	Discussion			