

### Course Plan

Course Title: Macroeconomics and Management	Course Code:21LBLH106
Programme: I B.B.A.LL.B	Semester: II sem
Credits:4	L-T-P: 3-1-0
ISA Marks: 50	ESA Marks:50
Course Teacher: Chandrakala.P	Date of Preparation:21st, Feb 2022
Course Plan Reviewer: Dr. Manojkumar V Hiremath	Date of Review:25th Feb 2022

#### Course Objectives:

1. The course objective is to provide a broad overview of the functioning of macroeconomic variables.
2. It helps to analyse the impacts of aggregate economic variables in the growth of a business firm.
3. To provide economic policy frameworks pertaining to monetary and fiscal policy and international trade and finance.
4. It helps in analysing the methods to utilise the current economic conditions to achieve higher business growth.
5. It helps in decision making in order to achieve desired economic goals.
6. It enhances the capability of students to understand the prevailing economic conditions and business management in totality.

#### Course Outcomes (COs)

At the end of the course students will be able to:

1. Describe the importance of National Income, the methodology adopted in the calculation of National Income. Explain the challenges that the country faces in the estimation of National Income.
2. Evaluate the importance and role of money in economics. And distinguish the roles of commercial banking and central banking in a country.
3. Review the effectiveness of credit control measures in controlling the price

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fluctuations of an economy.

4. Demonstrates the impact of inflation or deflation on the economy.
5. Critically evaluate the fiscal policy of the Government and the impact of tax on the economy.
6. Understand the models of international trade and be able to distinguish between them in terms of their assumptions and economic implications.
7. Identify the developments in the world trading system, and analyse issues raised in WTO negotiations.

#### Mapping of Course Outcomes (COs) with Program Outcomes

Course Outcomes (COs)	Relevant Program Outcomes (POs)
Define the importance of National Income, the methodology adopted in the calculation of National Income. Explain the challenges that the country faces in the estimation of National Income.	1
Evaluate the importance and role of money in the economy and distinguish the roles of commercial banking and central banking in a country.	11
Review the effectiveness of credit control measures in controlling the price fluctuations of an economy.	8
Demonstrates the impact of inflation or deflation on the economy.	8
Critically evaluate the fiscal policy of the Government and the impact of tax on the economy.	14
Understand the models of international trade and be able to distinguish between them in terms of their assumptions and economic implications.	15
Identify the developments in the world trading system and analyse issues raised in WTO negotiations.	15

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Course Content

Unit Contents	Number of Sessions
<p>Unit I National Income- Meaning and Definition - Concepts -GDP, GNP, NNP, NI at factor cost, PI, DPI and Per capita Income – Methods to estimate National Income, difficulties in calculation of National Income( with reference to India). Green GDP, National Income and economic welfare Capital Formation- determinants of capital formation-savings and investment. Capital formation and economic growth. Circular flow of Money- two-sector, three sector and four sector model.</p>	14
<p>Unit II Money: Functions of money Money Supply- Money Supply and its measurement, High powered Money and determinants of the Money supply. Capital Market and Money market. Commercial banks and their functions. Central Bank functions, Quantitative and Qualitative Credit Control measures, Monetary Policy and its objectives.</p>	15

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<p>Unit III Inflation-Meaning and types of inflation - Causes and Effects of Inflation, measures to control inflation - Inflationary Gap. Deflation: Meaning - Causes and Effects of Deflation, measures to control deflation. Deflationary Gap. Stagflation Business Cycle- Meaning, Types and Phases of Business Cycle - Measures to Control Business Cycle.</p>	12
<p>Unit IV Goals of fiscal policy, Objectives and Taxation as the source of resource mobilisation and its impact. Government borrowings or debt financing and its impact on the economy. Government Budget</p>	13
<p>Unit V International Trade- distinguishing features of inter-regional and international trade, the importance of international trade. Theories of International Trade- a. Comparative Cost Theory. b. Modern Theory. Balance of Payment- meaning and components, Causes for disequilibrium in BOP- and measures to correct BOP. Trade Barriers- Tariffs and Non-tariff barriers. Foreign exchange rate, Foreign exchange rate policy, Foreign exchange Market and Exchange Control Foreign Investments, Globalisation, and WTO, GATT</p>	16
<b>Total</b>	<b>70</b>

**Prescribed Text Books:**

1. M L Seth: Macroeconomics, Lakshmi Narian Agrawal Educational Publishers, Agra. 31st edition
2. H.L. Ahuja, Modern Economics, 19th Revised edition
3. M L Jhingan,, International Economics, Vrinda Publications(P) Ltd, Delhi, 6th revised and enlarged edition

**References**

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1. M.L.Seth, Monetary Economics, Lakshmi Narian Agarwal Educational Publisher, 15th revised edition
2. M.C. Vaish, Macro-Economic Theory, Vikas Publishing House, New Delhi
3. D.N. Dwivedi, Macro- Economics, Tata Mc Graw Hill
4. Lekhi and Joginder Singh, Public Finance, Kalyani Publishers, New Delhi, 12th revised edition,
5. Bhatia H.L, Public Finance, Vikas Publishing P ltd.
6. Mishra and Puri: Environment of Business

### Unit Wise Plan

Unit Number: I	Planned Sessions: 14
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### Unit Learning Outcomes

Unit Learning Outcomes	COs	BL
Define the concept of national income and components of GNP, GDP and related concepts of national income .	1	2
Describe the relationship between national income, saving, consumption, and investment,	1	2
Explain the circulation of money between different sectors of economy	1	2

### Topic Wise Plan

S.No.	Topic	Number of Sessions	Pedagogy
1	Circular flow of Money- two-sector, three sectors	2	Discussion with PPT presentation

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	and four sector model.		
2	National Income- Meaning and Definition	1	Lecture with PPT presentation
3	Concepts -GDP, GNP, NNP, NI at factor cost, PI, DPI and Per capita Income	2	Lecture with PPT presentation
4	Methods to estimate National Income,	2	Lecture with PPT presentation
5	Difficulties in the calculation of National Income ( with reference to India).	2	Lecture with PPT presentation
6	Green GDP, National Income and economic welfare	2	Lecture with PPT presentation
7	Capital Formation- determinants of capital formation- Savings and Investment	2	Discussion with PPT presentation
8	Capital formation and economic growth.	1	Lecture with PPT presentation

**Prescribed Reading(s) / Learning Resource(s)**

1. M L Seth: Macroeconomics, Lakshmi Narian Agrawal Educational Publishers, Agra.- 31st edition
2. M.C. Vaish, Macro-Economic Theory, Vikas Publishing House, New Delhi

**Additional Reading(s) / Learning Resource(s)**

1. D.N. Dwivedi, Macro-Economics, Tata Mc Graw Hill

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### Unit Wise Plan

Unit Number: II	Planned Sessions: 15
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### Unit Learning Outcomes

Unit Learning Outcomes	COs	BL
Define and classify the money supply and its measurements	2	3
Explain and evaluate the functions of Capital and Money market	2	2
Describe functions of central and commercial banks .	2	2
Examine the importance of banks and Monetary policy measures in the money supply	2	4

### Topic Wise Plan

S.No.	Topic	Number of Sessions	Pedagogy
1	Definition Money & Functions of money	1	Lecture with PPT presentation
2	Money Supply- Money Supply and its measurement,	1	Lecture with PPT presentation
3	High powered Money	1	Lecture with PPT presentation
4	Determinants of Money supply.	1	Lecture with PPT presentation
5	Capital Market and Money market.	3	Lecture with PPT presentation
6	Commercial banks and its	2	Project with discussion

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	functions.		
7	Central Bank functions	2	Project and discussion
8	Monetary Policy and its objectives	1	Group discussion
9	Quantitative and Qualitative Credit Control measures Credi	3	Lecture with PPT presentation

**Prescribed Reading(s) / Learning Resource(s)**

1. M.L.Seth, Monetary Economics, Lakshmi Narian Agarwal Educational Publisher, 15th revised edition
2. H.L. Ahuja, Modern Economics, 19th Revised edition

**Additional Reading(s) / Learning Resource(s)**

M L Seth: Macroeconomics, Lakshmi Narian Agrawal Educational Publishers, Agra. 31st edition.

Unit Wise Plan

Unit Number: III	Planned Sessions: 12
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Unit Learning Outcomes

Unit Learning Outcomes	COs	BL
Explain the inflation and related concepts and distinguish between Inflation, Deflation and Stagflation.	4	1,3
Examine the controlling measures of inflation	3,4,5	4

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Identify and analyses the causes and phases of the trade cycles and illustrate the occurrence of economic fluctuations and its impact on different economics factors	4	2,4
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### Topic Wise Plan

S.No.	Topic	Number of Sessions	Pedagogy
1	Inflation-Meaning and types of inflation	1	Case study and Group discussion
2	Causes and Effects of Inflation	2	
3	Measures to control inflation - . Inflationary Gap	2	
4	Deflation: Meaning - Causes and Effects of Deflation, measures to control deflation. Deflationary Gap.	2	Lecture & PPT presentation
5	Stagflation	1	Case study
6	Business Cycle- Meaning, Types and Phases	2	case study Discussion /PPT
7	Measures to Control Business Cycle	2	

#### Prescribed Reading(s) / Learning Resource(s)8.

1. H.L. Ahuja, Modern Economics, 19th Revised edition

#### Additional Reading(s) / Learning Resource(s)

1. Principles of Economics by M.L Seth, 44th edition, page no 677-679

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### Unit Wise Plan

Unit Number: IV	Planned Sessions: 13
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### Unit Learning Outcomes

Unit Learning Outcomes	COs	BL
Explain the objectives, means and limits of fiscal policy.	5	1,2
Analyse the effect of fiscal policy in the realisation of economic stability	5	4
Compares the relative effectiveness of monetary and fiscal policies	5	2,4

### Topic Wise Plan

S.No.	Topic	Number of Sessions	Pedagogy
1	Fiscal policy - Goals & Objectives	1	Case Study with discussion
2	Role of Fiscal policy in the mobilization of resources for economic growth.	2	
3	Taxation as a source of resource mobilisation and its impact.	4	Lecture with PPT discussion
4	Government borrowings or debt financing and its impact on the economy.	4	Lecture with PPT discussion
5	Budget	2	Group discussion

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**Prescribed Reading(s) / Learning Resource(s)**

1. H.L. Ahuja, *Modern Economics*, 19th Revised edition

**Additional Reading(s) / Learning Resource(s)**

1. D.N. Dwivedi, *Macroeconomics*, Tata Mc Graw Hill

Unit Wise Plan

Unit Number: V	Planned Sessions: 16
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Unit Learning Outcomes

Unit Learning Outcomes	COs	BL
Explain the process of international trade and Balance of payment concept	6	1,2
Explains theories of foreign trade and relates economic growth and foreign trade theories.	6	2
Relate international trade relations with economic development.	7	2,4
Describe the important function of WTO and its role in integrating international business	7	2,4

Topic Wise Plan

S.No.	Topic	Number of	Pedagogy
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		Sessions	
1	International Trade- distinguishing features of inter-regional and international trade,	1	Lecture with PPT
2	importance of international trade.	1	Lecture with PPT
3	Theories of International Trade- a. Comparative Cost Theory.	1	Lecture with PPT
4	b. Modern Theory.	1	Lecture with PPT
5	Balance of Payment- meaning and components	1	Lecture with PPT with data
6	Causes for disequilibrium in BOP- and measures to correct BOP.	2	Group discussion
7	Trade Barriers- Tariffs and Non-tariff barriers.	2	Lecture with PPT
8	Foreign exchange rate and types	1	Lecture with PPT
9	Foreign exchange rate policy	1	Lecture with PPT
10	Foreign exchange Market and Exchange Control	2	Lecture with PPT
11	Foreign Investments, Globalisation,	1	Lecture with PPT
12	WTO & GATT	2	Lecture with PPT

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**Prescribed Reading(s) / Learning Resource(s)**

1. M L Jhingan,, International Economics, Vrinda Publications(P) Ltd, Delhi, 6th revised and enlarged edition

**Additional Reading(s) / Learning Resource(s)**

1. H.L. Ahuja, Modern Economics, 19th Revised edition

**Industry/Professional Skills, Human Values, Service Learning**

Industry/Professional Skills	Understanding subject of macroeconomics enables students to know the policy formulation of a country and its impact on the Business sector
Human Values	Upholds the concept of sustainable development
Service Learning (if any)	Provides an overview of functions money and the Capital market as well a broader view on macroeconomic functions.

**Evaluation Scheme for ISA**

Assessment	Weightage in Marks
Mid-Term Exam	25
Teacher Chosen Assessment	25
Total	50

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### Teacher Chosen Assessment Method

Component	Details	Weightage
Concept Mapping	Concept Mapping	10
Assignment	Presentation + Assignment	10(5+5)
Attendance		5

### Weightage of Course Outcomes

(COs)	Weightage in Assessment
1. Define the importance of National Income, the methodology adopted in the calculation of National Income. Explain the challenges that the country faces in the estimation of National Income.	20
2. Evaluate the importance and role of money in economics. And distinguish the roles of commercial banking and central banking in a country.	10
3. Review the effectiveness of credit control measures in controlling the price fluctuations of an economy.	10
4. Demonstrates the impact of inflation or deflation on the economy.	10
5. Critically evaluate the fiscal policy & Monetary of the Government and the impact on the economy.	20
6. Understand the models of international trade and be able to distinguish between them in terms of their assumptions and economic implications.	10

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7. Identify the developments in the world trading system, and analyse issues raised in WTO negotiations.	10
Total	100

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