**Lesson Plan**

**Name: Dr. Yashpal Singh Class: BCom. 2nd semester**

**Subject: Macro Economics Duration: 16 weeks (January 2019 to April 2019)**

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| **Week 1 Assignments**  Macroeconomics: Historical background, Scope of macroeconomics, Importance of macroeconomics, Features of macroeconomics, Assumptions of macroeconomics Relation between microeconomics and macroeconomics, Difference between microeconomics and macroeconomics |
| **Week 2 Assignments**  National income: meaning ; domestic territory of a country; normal residents of a country, Depreciation; gross product versus net product; market price versus factor cost; net factor income from abroad; factor income and transfer income, Related aggregates of national income, Measurement of national income: value added method, income method, and expenditure method |
| **Week 3 Assignments**  Precautions while estimating national income, Difficulties in the measurement of national income, Circular flow of income: injections and withdrawals Circular flow of income: real and monetary flow, Four sector model of circular flow of income, case study |
| **Week 4 Assignments**  Consumption function: propensity to consume; shapes of consumption curve, Determinants of propensity to consume; subjective factors, Determinants of propensity to consume; objective factors |
| **Week 5 Assignments**  Psychological law of consumption, Importance of propensity to consume, Measures to raise propensity to consume, Investment: meaning, components, Types of investment, case study |
| **Week 6 Assignments**  Inducement to investment, Investment function, Measures to stimulate private investment, Sources of public investment, importance of investment, Multiplier: meaning, multiplier and MPC &MPS |
| **Week 7 Assignments**  Assumptions of multiplier, comparative static analysis, Dynamic analysis of multiplier, Limitations of multiplier, Leakages of multiplier, Importance of multiplier, case study |
| **Week 8 Assignments**  Principle of acceleration: meaning of acceleration; assumptions, Explanation of principle of acceleration, Criticism of principle of acceleration, Difference between multiplier and acceleration, Main arguments of Keynesian theory of employment |
| **Week 9 Assignments**  Assumptions of Keynesian theory of employment, Main components of Keynesian theory of employment, case study |
| **Week 10 Assignments**  Determination of equilibrium level of income and employment, Theoretical significance of Keynesian theory of employment, Practical significance of Keynesian theory of employment, Criticism of Keynesian theory of employment |
| **Week 11 Assignments**  Main features of Keynesian theory, Differences between Keynesian theory and classical theory of employment, Income determination in closed economy: govt. expenditure function; govt. tax function; budget surplus, Saving and investment approach, case study |
| **Week 12 Assignment**  Impact of govt. expenditure and tax rate on equilibrium GDP, Inflation: meaning; types, Demand pull inflation, case study |
| **Week 13 Assignments**  Cost push inflation, Causes of inflation, Effects of inflation, Inflation and economic development, case study |
| **Week 14 Assignments**  Business cycles: meaning; types; phases of business cycles, Samuelson’s theory of business cycles |
| **Week 15 Assignments**  Hicks’ theory of business cycles, Methods to control business cycles, case study |
| **Week 16 Assignments**  **Revision** |