

**Objectives:** The objective of this course is to give understanding of the basic concept and issues in Monetary Economics and their application in business decisions.

**Detailed Curriculum**

**Unit I: Introduction:** Macro Economics: definition, nature and scope; Classical and Keynesian theories of income and employment. National Income concepts.

**Unit II: Money and Value of Money:** Definition of Money, Functions of Money, Value of Money, Quantity Theory of Money: various approaches.

**Unit III: Banking:** Commercial banks, definition and meaning, credit creation process. Central Bank and functions, monetary policy with special reference to India.

**Unit IV: Trade Cycles-** Nature and Characteristics, phases of trade cycles, control of trade cycles; Inflation; meaning, measuring and control.

**Unit V: International Trade: Meaning and Basis: Balance of Trade and Balance of payments.** Exchange rate determination, role of exchange rate in foreign trade, management of foreign exchange reserves-International financial institutions: IMF and World Bank.

**Recommended Text Book(s):**

1. Suraj B. Gupta, Monetary Economics, S. Chand & Company, New Delhi, 2005.
2. Ahuja H. L. - Macro Economics: Theory and Policy, S. Chand & Co. Ltd., New Delhi

**Recommended Reference Books:**

1. Shapiro E. - Macro Economic Analysis, Galgotia Publications, New Delhi.
2. Crowther G. - An Outline of Money.
3. Chandler L. V. - The Economics of Money and Banking.
4. Jhingan M. L. - Macro Economic Theory; Vrinda Publications, New Delhi.
5. William H. Branson - Macro Economics: Theory and Policy. Galgotia Publications, New Delhi