

SYLLABUS

BCM 204: BUSINESS ECONOMICS-II

Objective: The paper aims at providing the knowledge of basic concepts of the distribution and modern tools of macro-economic analysis.

UNIT-I

Distribution

Wages : Meaning, Types, Marginal Productivity Theory of Wages, Modern Theory of Wages.

Rent: Meaning, Types, Ricardian Theory of Rent, Modern Theory of Rent, Quasi-Rent.

Interest: Meaning, Types, Classical Theory of Interest, Neo-Classical Theory of Interest, Liquidity Preference Theory of Interest.

Profits: Nature, Types, Dynamic Theory of Profits, Innovation Theory of Profits, Risks Bearing Theory of Profit, Uncertainty Bearing Theory of Profits.

National Income: Meaning, Concepts of National Income, Measurement of National Income, Difficulties in Its Measurements, Its Significance.

UNIT-II

Say's Law of Market: Meaning, Implications, Classical Theory of Income Output and Employment: Keynesian Theory of Employment.

Effective Demand: Determination, Importance

Consumption Function: Meaning, Factors Influencing Consumption Function, Average and Marginal Propensities to Consume, Propensity to Save, Psychological Law of Consumption and its Importance.

Marginal Efficiency of Capital: Meaning, Determinants, Theory of Secular Stagnation.

Investment: Meaning, Types, Factors Affecting Investment, Importance of Investment, Measures to Raise Private Investment.

Multiplier: Meaning, Keynesian Income or Investment Multiplier, Leakages, Uses, Limitations of Multiplier, Multiplier and Under-Developed Countries.