



*Introductory
Macroeconomics*

Textbook in Economics for Class XII



12105

विद्यया ऽ मृतमश्नुते



एन सी ई आर टी
NCERT

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**OFFICES OF THE PUBLICATION
DIVISION, NCERT**

NCERT Campus
Sri Aurobindo Marg
New Delhi 110 016 Phone : 011-26562708

108, 100 Feet Road
Hosdakere Halli Extension
Banashankari III Stage
Bengaluru 560 085 Phone : 080-26725740

Navjivan Trust Building
P.O.Navjivan
Ahmedabad 380 014 Phone : 079-27541446

CWC Campus
Opp. Dhankal Bus Stop
Panihati
Kolkata 700 114 Phone : 033-25530454

CWC Complex
Maligaon
Guwahati 781 021 Phone : 0361-2674869

Publication Team

Head, Publication Division : *M.V. Srinivasan*

Chief Editor : *Bijnan Sutar*

Chief Production Officer (In charge) : *Jahan Lal*

Chief Business Manager : *Amitabh Kumar*

Editor : *R.N. Bhardwaj*

Production Officer : *Sunil Sharma*

Cover, Layout and Illustrations
Blue Fish

Cartoonist
Irfan

Foreword

The National Curriculum Framework (NCF) 2005, recommends that children's life at school must be linked to their life outside the school. This principle marks a departure from the legacy of bookish learning which continues to shape our system and causes a gap between the school, home and community. The syllabi and textbooks developed on the basis of NCF signify an attempt to implement this basic idea. They also attempt to discourage rote learning and the maintenance of sharp boundaries between different subject areas. We hope these measures will take us significantly further in the direction of a child-centred system of education outlined in the National Policy on Education (1986).

The success of this effort depends on the steps that school principals and teachers will take to encourage children to reflect on their own learning and to pursue imaginative activities and questions. We must recognise that, given space, time and freedom, children generate new knowledge by engaging with the information passed on to them by adults. Treating the prescribed textbook as the sole basis of examination is one of the key reasons why other resources and sites of learning are ignored. Inculcating creativity and initiative is possible if we perceive and treat children as participants in learning, not as receivers of a fixed body of knowledge.

These aims imply considerable change in school routines and mode of functioning. Flexibility in the daily time-tables is as necessary as rigour in implementing the annual calendar so that the required number of teaching days are actually devoted to teaching. The methods used for teaching and evaluation will also determine how effective this textbook proves for making children's life at school a happy experience, rather than a source of stress or problem. Syllabus designers have tried to address the problem of curricular burden by restructuring and reorienting knowledge at different stages with greater consideration for child psychology and the time available for teaching. The textbook attempts to enhance this endeavour by giving higher priority and space to opportunities for contemplation and wondering, discussion in small groups, and activities requiring hands-on experience.

The National Council of Educational Research and Training (NCERT) appreciates the hardwork done by the textbook development committee responsible for this textbook. We wish to thank the Chairperson of the advisory group in Social Sciences, Professor Hari Vasudevan, and the *Chief Advisor* for this textbook, Professor Tapas Majumdar, for guiding the work of this committee. Several teachers

contributed to the development of this textbook; we are grateful to their principals for making this possible. We are indebted to the institutions and organisations which have generously permitted us to draw upon their resources, material and personnel. We are especially grateful to the members of the National Monitoring Committee, appointed by the Department of Secondary and Higher Education, Ministry of Human Resource Development under the Chairpersonship of Professor Mrinal Miri and Professor G.P. Deshpande, for their valuable time and contribution. As an organisation committed to systemic reform and continuous improvement in the quality of its products, NCERT welcomes comments and suggestions which will enable us to undertake further revision and refinement.

New Delhi
16 February 2007

Director
National Council of Educational
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RATIONALISATION OF CONTENT IN THE TEXTBOOKS

In view of the COVID-19 pandemic, it is imperative to reduce content load on students. The National Education Policy 2020, also emphasises reducing the content load and providing opportunities for experiential learning with creative mindset. In this background, the NCERT has undertaken the exercise to rationalise the textbooks across all classes. Learning Outcomes already developed by the NCERT across classes have been taken into consideration in this exercise.

Contents of the textbooks have been rationalised in view of the following:

- Overlapping with similar content included in other subject areas in the same class
- Similar content included in the lower or higher class in the same subject
- Difficulty level
- Content, which is easily accessible to students without much interventions from teachers and can be learned by children through self-learning or peer-learning
- Content, which is irrelevant in the present context

This present edition, is a reformatted version after carrying out the changes given above.

THE CONSTITUTION OF INDIA

PREAMBLE

WE, THE PEOPLE OF INDIA, having solemnly resolved to constitute India into a ¹**[SOVEREIGN SOCIALIST SECULAR DEMOCRATIC REPUBLIC]** and to secure to all its citizens :

JUSTICE, social, economic and political;

LIBERTY of thought, expression, belief, faith and worship;

EQUALITY of status and of opportunity; and to promote among them all

FRATERNITY assuring the dignity of the individual and the ²[unity and integrity of the Nation];

IN OUR CONSTITUENT ASSEMBLY this twenty-sixth day of November, 1949 do **HEREBY ADOPT, ENACT AND GIVE TO OURSELVES THIS CONSTITUTION.**

1. Subs. by the Constitution (Forty-second Amendment) Act, 1976, Sec.2, for "Sovereign Democratic Republic" (w.e.f. 3.1.1977)
2. Subs. by the Constitution (Forty-second Amendment) Act, 1976, Sec.2, for "Unity of the Nation" (w.e.f. 3.1.1977)

Textbook Development Committee

CHAIRPERSON, ADVISORY COMMITTEE FOR SOCIAL SCIENCE TEXTBOOKS AT THE HIGHER SECONDARY LEVEL

Hari Vasudevan, *Professor*, Department of History, University of Calcutta, Kolkata

CHIEF ADVISOR

Tapas Majumdar, *Professor Emeritus of Economics*, Jawaharlal Nehru University, New Delhi.

ADVISOR

Satish Jain, *Professor*, Centre for Economics Studies and Planning, School of Social Sciences, Jawaharlal Nehru University, New Delhi

MEMBERS

Debarshi Das, *Lecturer*, Department of Economics, Punjab University, Chandigarh

Saumyajit Bhattacharya, *Senior Lecturer*, Department of Economics, Kirorimal College, University of Delhi, New Delhi

Sanmitra Ghosh, *Lecturer*, Department of Economics, Jadavpur University, Kolkata

Malbika Pal, *Senior Lecturer*, Department of Economics, Miranda House, University of Delhi, New Delhi

MEMBER-COORDINATOR

Jaya Singh, *Lecturer*, Economics, Department of Education in Social Sciences, NCERT, New Delhi

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Contents

FOREWORD	iii
1. INTRODUCTION	1
1.1 Emergence of Macroeconomics	5
1.2 Context of the Present Book of Macroeconomics	6
2. NATIONAL INCOME ACCOUNTING	9
2.1 Some Basic Concepts of Macroeconomics	9
2.2 Circular Flow of Income and Methods of Calculating National Income	14
2.2.1 The Product or Value Added Method	17
2.2.2 Expenditure Method	21
2.2.3 Income Method	22
2.2.4 Factor Cost, Basic Prices and Market Prices	24
2.3 Some Macroeconomic Identities	25
2.4 Nominal and Real GDP	29
2.5 GDP and Welfare	30
3. MONEY AND BANKING	36
3.1 Functions of Money	36
3.2 Demand for Money and Supply of Money	37
3.2.1 Demand for Money	37
3.2.2 Supply of Money	38
3.3 Money Creation by Banking System	39
3.3.1 Balance Sheet of a Fictional Bank	40
3.3.2 Limits to Credit Creation and Money Multiplier	40
3.4 Policy Tools to Control Money Supply	42
4. DETERMINATION OF INCOME AND EMPLOYMENT	53
4.1 Aggregate Demand and its Components	53
4.1.1 Consumption	54
4.1.2 Investment	56
4.2 Determination of Income in Two-sector Model	56
4.3 Determination of Equilibrium Income in the Short Run	57
4.3.1 Macroeconomic equilibrium with price level fixed	57
4.3.2 Effect of an autonomous change in aggregate demand on income and output	60

4.3.3 The Multiplier Mechanism	61
4.4 Some More Concepts	64
5. GOVERNMENT BUDGET AND THE ECONOMY	66
5.1 Government Budget – Meaning and its Components	66
5.1.1 Objectives of Government Budget	67
5.1.2 Classification of Receipts	68
5.1.3 Classification of Expenditure	69
5.2 Balanced, Surplus and Deficit Budget	70
5.2.1 Measures of Government Deficit	71
6. OPEN ECONOMY MACROECONOMICS	85
6.1 The Balance of Payments	86
6.1.1 Current Account	86
6.1.2 Capital Account	88
6.1.3 Balance of Payments Surplus and Deficit	88
6.2 The Foreign Exchange Market	91
6.2.1 Foreign Exchange Rate	91
6.2.2 Determination of the Exchange Rate	92
6.2.3 Merits and Demerits of Flexible and Fixed Exchange Rate Systems	95
6.2.4 Managed Floating	95
GLOSSARY	100