



[Summary]

Advances in Business Cycle Theory

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| Subject: | Business Economics |
| Course: | B. A. (Hons.), 3 rd Semester, Undergraduate |
| Paper No. & Title: | Paper – 301 Microeconomics - I |
| Unit No. & Title: | Unit – 5 Economics of Great Events |
| Lecture No. & Title: | Lecture – 2 Advances in Business Cycle Theory |

Summary

In the above chapter, we have studied the meaning of Business Cycle, various theories of business cycle which talks about different phases of an economy and the two new theories of Advances in Business Cycle Theories i.e “The Real Business Cycle Theory” and “the New Keynesian Economics”. Both the theories have explains about the short run fluctuation in output and employment.