

SYLLABUS
M.A. ECONOMICS (Non - Semester)
First Year

Paper I : Micro Economic Analysis

1. Basic Concepts: Methodology in economics- Induction Vs Deduction - Micro Vs Macro analysis - Static, Comparative static and Dynamic analysis-Concept of equilibrium-Role of assumptions in economic analysis.
2. Theories of Consumption: Marshall's Cardinal Utility analysis of consumer equilibrium -Law of demand - Elasticity of demand (price, cross and income) - Hicksian theory - Consumer Equilibrium - Decomposition of price effect into income and substitution effects (Hicks & Slutsky methods) - Derivation of demand curve.
3. Consumer's Surplus: Marshall and Hicks analysis. Practical utility of the concept of elasticity of demand and consumer's surplus Samuelson's Revealed Preference approach to consumer behaviour.
4. Production: Four factors of production- Concept of production function- Production function with one variable input (laws of returns-Production function with two variable inputs (Isoquants, producer equilibrium, returns to scale) Elasticity of substitution between inputs -Economies and diseconomies of scale -Homogeneous production function -Cobb-Douglas Production Function -Definition and Properties.
5. Cost function: Total, average and marginal cost curves, short-run and long-run cost curves and their relationships Production possibility curve.
6. Pricing: Meanings and characteristics of different market forms. Pricing under perfect competition-Marshall's time period analysis-Firm and Industry equilibrium Shut down point-Supply curve of firm-Simple and Discrimination monopoly. Pricing under monopolistic competition-Firm and group equilibrium with product differentiation, selling cost.
7. Oligopoly: Meaning and types-Kinked demand curve-Price leadership, Joint Profit Maximization and Market sharing models -Baumol's sales maximisation model.
8. Distribution: Marginal Productivity Theory of Distribution - Factor Prices and factor shares - Euler's theorem. Technical progress Neutral and biased technical progress-
9. General Equilibrium: Partial equilibrium versus General equilibrium - Walras' General equilibrium analysis.
10. Welfare Economics: Meaning and definition of social welfare - Pigou's welfare Economies- Pareto's Optimality - Kaldor, Hicks and Scitovsky Criterion. Theory of the second best-Social Welfare function.

Books for Reference

1. A.W. Stonier and F.C. Hague: A Text Book of Economic Theory.
2. K.P.M. Sundaram and M.C. Vaish: Principles of Economics
3. H.L.Ahuja: Advanced Economic Theory.
4. M.L.Seth: Advanced Economic Theory.
5. A. Koutsoyiannis: Modern Micro Economics.

UNIVERSITY SYLLABUS

PAPER II : MACRO ECONOMIC ANALYSIS

UNIT 1 : NATIONAL INCOME AND ACCOUNTS :

Circular Flow of Income in two - three - and four - sector economy : different forms of national income accounting - social accounting, input-output accounting, flow of funds accounting and balance of payments accounting.

UNIT 2 : CONSUMPTION FUNCTION :

Keynes psychological law of consumption - implications of the law : short - run consumption function : Income - consumption relationship - absolute income, relative income, life cycle and permanent income hypotheses.

UNIT 3 : INVESTMENT :

Marginal efficiency of investment and level of investment, Marginal efficiency of capital and investment - long run, short run : The accelerator and investment behaviour - impact of inflation; Influence of policy measures on investment.

UNIT 4 : SUPPLY OF MONEY :

Financial intermediation - a mechanistic model of bank deposit determination; A behavioural model of money supply determination, a demand determined money supply process : RBI approach to money supply - High powered money and money multiplier; budget deficits and money supply and open economy; control of money supply.

UNIT 5 : DEMAND FOR MONEY :

Classical approach to demand for money - Quantity approach, Fisher's equation, Cambridge quantity theory , Keynes' liquidity preference approach, transaction, precautionary and speculative demand for money - aggregate demand for money : Derivation of LM curve.

UNIT 6 : NEO-CLASSICAL AND KEYNESIAN SYNTHESIS :

Neo-classical and Keynesian views on interest : The IS-LM model - Extension IS-LM model with government sector; Relative effectiveness of monetary and fiscal policies.

UNIT 7 : POST-KEYNESIAN DEMAND FOR MONEY :

Post-Keynesian approaches to demand for money - Patinkin and the Real Balance Effect, Approaches of Baumol and Tobin - Friedman and the Modern quantity theory; Crisis in Keynesian economics and the revival of Monetarism.

UNIT 8 : THEORY OF INFLATION :

Classical, Keynesian Monetarist approaches to inflation : Structuralist theory of inflation : Philips curve analysis - Short run and long run Philips curve : Samuelson - and Solow - the natural rate of unemployment hypothesis - Policies to control inflation.

UNIT 9 : BUSINESS CYCLES :

Theories of Schumpeter, Kaldor, Samuelson and Hicks model - Control of business cycles - relative efficacy of monetary and fiscal policies.

UNIT 10 : NEW CLASSICAL MACRO ECONOMICS :

The new classical critique of foundations, the new classical approach : Policy implications of new classical.

BASIC READING LIST :

1. Ackely, G. (1978), Macroeconomics : Theory and Policy, Macmillan, New York.
2. Blackhouse, R and A, Salansi (Eds.) (2000) Macroeconomics and the Real World (2 vols) Oxford University Press, London.
3. Branson, W.A. (1989), Macroeconomics : Theory and Policy, (3rd Edition), Harper and Row, New York.
4. Dornbusch, R and F. Stanley (1997), Macroeconomics, McGraw Hill, Inc., New York.
5. Hall. R.E. and J.B. Taylor (1986), Macro economics, W.W.Norton, New York.
6. Heijdra B. and V.P Frederick (2001) Foundations of Modern Macro economics, Oxford University Press, New Delhi.
7. Jha,R. (1991) contemporary Macroeconomics Theory and policy, Wiley Eastern Ltd., New Delhi.

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SYLLABUS
M.A. ECONOMICS (Non - Semester)
First Year
Paper III : Public Economics

Unit 1 : Introduction : Role of Government in organised society : Changing perspective - Government in a mixed economy : Public and Private Sector, Government as a tool for operationalising the planning process : Private goods, public goods, and merit goods - Market failure.

Unit 2 : Public Choice : Private and Public Mechanism for allocating resources : Problems of allocating resources.

Unit 3 : Rationale for public policy : Allocation of resources - Provision of public goods - voluntary exchange models. Impossibility of decentralised provision of public goods (Contributions of Samuelson and Musgrave) : Uncertainty and expectations : Failure of intertemporal markets, social goals, poverty alleviation : provision of infrastructural facilities removing distributional inequalities and regional imbalances.

Unit 4 : Public Expenditure : Wagner's law of increasing state activities : Wiseman - Peacock hypothesis; Pure theory of public expenditure : Structure and growth of public expenditure Criteria for public investment; Social cost - benefit analysis - project evaluation, Estimation of costs, discount rate : Reforms in expenditure budgeting : Programme budgeting, Zero base budgeting.

Unit 5 : Taxation : Theory of incidence : Alternative concepts of incidence - Allocative and equity aspects of individual taxes; Benefit and ability to pay approaches : Theory of optimal taxation : Excess burden of taxes : Trade off between equity and efficiency : The problem of double taxation.

Unit 6 : Public Debt : Classical view of public debt; Compensatory aspects of debt policy Burden of public debt - Sources of public debt : Debt through created money : Public borrowing and price level : Principles of debt management and repayment.

Unit 7 : Fiscal Policy : Objectives of fiscal policy - Full employment, Anti-inflation, Economic growth, Redistribution of income and wealth - Interdependence of fiscal and monetary policies budgetary deficits and its implication : Fiscal policy for stabilization - Automatic vs. Discretionary Stabilisation : Alternative measures of resource mobilization and their impact on growth distribution and prices.

Unit 8 : Fiscal Federalism : Principles of Multi-finance : Fiscal federalism in India, Vertical and horizontal imbalance : Assignment of function and sources of revenue : Constitutional provisions : Finance Commission and Planning Commission : Devolution of resources and grants : Theory of grants : Resources transfer from Union to States - Criteria for transfer of resources. Centre State financial relations in India : Problems of States resources and indebtedness, Transfer of resources from Union and States to local bodies.

Unit 9 : Indian Public Finance : Indian tax system - Revenue of the Union, States and Local bodies - Major taxes in India ; Base of taxes, Direct and indirect taxes, Tax on services : Non-tax revenue of centre, State and Local bodies.

Unit 10 : Analysis of Central and State Government Budgets : Lack of flexibility in Central and State budgets, Shrinking size of development finance through budgets : Trends in public expenditure and public debt : Fiscal crisis and fiscal sector reforms in India : Reports of Finance Commission in India.

Basic Reading List :

- 1) Atkinson, A.B. And J.E. Stiglitz (1980), Lectures on Public Economics, Tata McGraw Hill, New York.
- 2) Auerbach, A.J. and M.Feldstern (Eds) (1985), Handbook of Public Economics, Vol.1, North Holland, Amsterdam.

Other Recommended Books :

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|----|---------------|---|
| 1. | A.C. Pigou | A study of Public Finance |
| 2. | H. Dalton | Public Finance |
| 3. | P.E. Taylor | Economics of Public Finance |
| 4. | U.K. Hicks | Public Finance |
| 5. | Alan William | Public Finance and Fiscal Policy |
| 6. | R.J. Chelliah | Fiscal Policy in Under developed Countries. |
| 7. | R.W. Lindahl | Introduction to Fiscal Policy |
| 8. | A. Hansen | Business Cycles and Fiscal Policy |

M.A. ECONOMICS (NON-SEMESTER)

I YEAR

PAPER IV: INDIAN ECONOMIC POLICY

UNIT 1 : ECONOMIC DEVELOPMENT : Meaning, concepts and measurement - Indicators of development - PQLI, Human Development Index (HDI), Gender Development Indices - Indian Human Development Reports.

UNIT 2 : PLANNING IN INDIA : Broad objectives and strategies of planning : Failures and achievements of various plans with special reference to IX Plan. X Plan objectives and strategies.

UNIT 3 : POPULATION, POVERTY AND INEQUALITY : Broad demographic features of Indian population - population policy. Rural - Urban Migration - Poverty and income inequality in India. Programmes and Policies of Government to eradicate poverty and to reduce income inequality.

UNIT 4 : RESOURCE BASE AND INFRASTRUCTURE : Energy, Environment and Social infrastructure - Education and Health - Issues and policies relating to infrastructure development.

UNIT 5 : ISSUES IN INDIAN AGRICULTURE : Pricing of agriculture inputs and output; Agricultural finance policy; issues in food security policies for sustainable agriculture.

UNIT 6 : INDUSTRIAL POLICY OF INDIA : Growth and patterns of industrialisation - Problem of sick units in India - Productivity in industrial sector : Small scale sector in India - Its role, importance and problems. Exit policy - Issues in labour market reforms.

UNIT 7 : PUBLIC FINANCE : Central - State financial relations - Finances of Central Government and State Government - Parallel economy - Fiscal sector reforms in India.

UNIT 8 : MONEY, BANKING AND PRICES : Price behaviour in India - Recent trends - Financial sector reforms : Interest rate Policy: Monetary Policy of RBI.

UNIT 9 : ISSUES IN EXTERNAL SECTOR : Structure and direction of foreign trade - Balance of Payments, Exports policy, Exchange rate policy, Foreign capital and MNCs in India and trade reforms in India.

UNIT 10 : ECONOMIC REFORMS IN INDIA : Globalisation of Indian economy and its impact on different sectors of the economy.

RECOMMENDED BOOKS

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|-----|----------------------------------|---|---|
| 1. | Ruddar Datt and K.P.M Sundharam | - | Indian Economy |
| 2. | A.N. Agrawal | - | Indian Economy |
| 3. | S.K. Misra and V.K. Puri | - | Indian Economy |
| 4. | R. Chelliah | - | Fiscal Policy in underdeveloped Economy |
| 5. | C.T. Kurien | - | India's Mixed Economy |
| 6. | J.S. Uppal | - | Indian Economic Problems |
| 7. | B.S. Minhas | - | Planning and the poor. |
| 8. | C.N. Vakil and P.R. Brahmanandha | - | Planning for an Expanding Economy |
| 9. | H. Venkatasubbiah | - | Indian Economy since Independence |
| 10. | A. Ghosh | - | Indian Economy |
| 11. | S.B. Gupta | - | Monetary Planning in India |
| 12. | Ishwar C. Dhingra | - | The Indian Economy. |

University Syllabus
M.A. (Economics) Second year
PAPER - I : QUANTITATIVE METHODS

Unit 1 : Mathematical Methods - I :- Concept of function and types of functions - Linear, Quadratic, Exponential and homogeneous. Meaning of derivative. Application of functions and derivatives in Economics - Revenue, cost, demand and supply functions - Elasticity of demand in terms of derivative.

Unit 2 : Mathematical Methods - II :- Solving quadratic equation in one variable and simultaneous linear equations in two variables.

Unit 3 : Mathematical Methods - III :- Linear Programming - Meaning - Formulation of a linear programming problem - Its structure and variables - Feasible and optimal solutions - Graphical method of finding solution.

Unit 4 : Averages - Mean, Median, Mode, Geometric mean and harmonic mean - Definition computation and properties

Unit 5 : Measures of Dispersion - Range, Q.D. M.D., S.D. and C.V. Lorenz curve and Gini coefficient.

Unit 6 : Correlation - Meaning and types - Simple linear correlation - measurement Scatter diagram method, Karl Pearson's coefficient, Spearman's rank correlation coefficient. Uses of correlation analysis.

Unit 7 : Regression - Concept of the least square and the lines of regression. Properties of regression line. Uses of regression analysis.

Unit 8 : Association of attributes - Association and disassociation - Measurement Proportion method and Yule's coefficient of association.

Unit 9 : Basic concept of sampling - Sampling Vs. census method, methods of sampling conducting a sample survey.

Unit 10 : Basic concepts - Types of events and experiments. Classical and empiric definitions of probability. Multiplication and addition theorems of probability. Definitions and properties of Binomial, Poisson and Normal distributions.

Unit 11 : Tests of Significance : Meaning of statistic and parameter - Statistical hypotheses - Null and alternative - Test statistic - Critical region and level of significance. Hypothesis testing based on Z, t and χ^2 .

UNIVERSITY SYLLABUS

M.A. ECONOMICS (Non - Semester)

II Year

Paper II : Economics of Growth and Development

- Unit 1** : Economic Growth and Development - factors affecting economic growth - Capital Labour and technology - Growth Models - Harrod and Domar, Instability. Neo-classical Models - Solow and Meade.
- Unit 2** : Social and Institutional aspects of development : Development and underdevelopment - Perpetuation of Underdevelopment; Poverty - Absolute and relative; Measuring development and development gap - Per capita income inequality of income. Human development index and other indices of development and quality of life - Food security, education, health and nutrition - Human resources development. Population problem and growth pattern of population - Theory of demographic transition. Population, Poverty and environment.
- Unit 3** : Theories of Development Classical Theory of Development - Contributions of Adam Smith, Ricardo, Malthus and James Mill, Karl Marx and development of Capitalistic economy - Theory of Social change, surplus value and profit; Crisis in capitalism - Schumpeter and capitalistic development - Innovation - role of Credit, Profit and degeneration of capitalism.
- Unit 4** : Approaches to development - Partial theories of growth and development - Vicious circle of poverty, circular causation, unlimited supply of labour big push, balanced growth, Unbalanced growth, Critical minimum efforts thesis, low income equilibriums trap; Dualism - technical, behavioural and Social; Ranis and Fei - Model.

- Unit 5** : Sectoral aspects of Development - Role of agriculture in economic development; efficiency and productivity in agriculture - New technology and sustainable agriculture.
- Unit 6** : Pattern of Industrialisation in development countries - The choices of techniques and appropriate technology and employment efficiency of small scale Vs large scale production; Terms of trade between agriculture and industry, infrastructure and its importance; labour markets and their functioning in developing countries.
- Unit 7** : Trade and Economic Development - international trade as engine of growth - static and dynamic gains from trade; Prebisch Singer and Myrdal thesis Versus Free trade; Export - led growth. Dual gap analysis; Balance of payment; Tariffs and effective protection; Post - GATT international economic order; WTO and development countries.
- Unit 8** : Macro Economic Policies and Development. Role of Monetary and Fiscal Policies in Developing Countries. MNC activity in developing countries; Borrowing - domestic and external; Burden of borrowing - IMF and World Bank Policies in developing countries.
- Unit 9** : Allocation of Resources - Need for Investment Criteria in developing countries - present Vs Future. Alternative investment criteria; Cost - Benefit analysis, shadow Prices, Project evaluation and UNIDO guidelines.
- Unit 10** : Planning and Development - Need for Planning - Democratic, Decentralised and indicative planning, Micro level planning; Review of Indian Plan Models.

SYLLABUS

M.A. ECONOMICS (Second Year)

PAPER - III : INTERNATIONAL TRADE AND FINANCE

- Unit 1** : The pure theory of International Trade – Theories of absolute advantage, comparative advantage and modern theory of international trade – Factor Price Equalization Theorem. Heckscher-Ohlin theory of Trade. Role of dynamic factors – Changes in tastes, technology and factor endowments in explaining the emergence of trade.
- Unit 2** : Measurement of gains from trade and their distribution – Concepts of terms of trade, their uses and limitations : Hypothesis of secular deterioration of terms of trade, its empirical relevance and policy implications of less developed countries; trade as an engine of economic growth; welfare implications – Empirical evidence and policy issues.
- Unit 3** - The theory of Interventions (Tariffs, Quotas and Non-tariff barriers); Economic effects of tariffs and quotas on national income, output employment, terms of trade and income distribution.
- Unit 4** - The political economy of non-tariff barriers and their implications; nominal effective and their implications; nominal, effective and optimum rates of tariffs – their measurement, impact and welfare implications. Trade under imperfectly competitive market.
- Unit 5** - Balance of Payments – Meaning and Components of balance of payments. Equilibrium and disequilibrium in the balance of payments.
- Unit 6** - Foreign exchange rate – Fixed exchange rates and flexible exchange rates. Policies for achieving internal and external equilibrium simultaneously under alternative exchange rate regimes. Relative merits and demerits of fixed and flexible exchange rates in the context of growth and development in developing countries.

- Unit 7** - Forms of Economic Co-operation – Reforms for the emergence of trading blocks at the global level, static and dynamic effects of a customs union and free trade areas; SAARC/SAPTA and ASEAN. Regionalism (EU, NAFTA).
- Unit 8** - International monetary system, India and developing countries; Theory of short term capital movements and East –Asian Crisis and lessons for developing countries.
- Unit 9** - International trade and financial institutions – Functions of GATT/ WTO (TRIPS, TRIMS), UNCTAD, IMF, World Bank and Asian Development Bank – Their achievement and failures; WTO and World Bank from the point of view of India.
- Unit 10** - Trade problems and trade policies in India during the last five decades. Recent changes in the direction and composition of trade and their implication – Trade reforms in India since 1991. Problems of India’s international debt, working and regulations of MNCS in India; Instruments of export promotion and recent import and export policies.

Books for Reference

- | | |
|---|--------------------|
| 1. International Economics | M.L. Jhingan |
| 2. International Economics..... | H.G. Mannur |
| 3. International Economics..... | Francis Cherunilam |
| 4 SAARC (Political and Economic Aspects)..... | R.S. Kher |
| 5. International Economics..... | Reeta Mathur |
| 6. India’s International Trade and Economics Reforms..... | Narendra Prasad |
| 7. International Economics | Ingo Walter |
| 8. International Economics..... | B. Sodersten |

Unit 10: Agriculture and External Sector : International trade in agriculture commodities; Commodity agreements - Role of world trade organization ; Issues in liberalization of domestic and international trade in agriculture - Nature and features of agri-business; Role of MNCs Globalization of India Economy and problems and prospects of India Agriculture; Impact of World Trade Organization on Indian agriculture.

Basic Reading List

1. Bhaduri, A. (1984), The Economic Structure Of Backward Agriculture, Macmillan, Delhi.
2. Bilgrami, S.A.R. (1996), Agriculture Economics, Himalaya Publishing House, Delhi.
3. Dantwala, M.L. et.al. (1991), Indian Agriculture Development Since Independence, Oxford & IBH, New Delhi.
4. Government Of India (1976), Report Of The National Commission On Agriculture, New Delhi.
5. Gulati, A And T. Kelly (1991), Trade Liberalization And India Agriculture, Oxford University Press, New Delhi.
6. Joshi, P.C. (1975), Land Reforms In India: Trends And Prospects, Allied Publishers, Bombay.
7. Kahlon, A.S. Tyagi D.S. (1983), Agriculture Growth, Rural Poverty And Environmental Degradation In India, Oxford University Press, New Delhi.
8. Reserve Bank Of India, Report On Currency And Finance, (Annual), Mumbai.
9. Rudra, A. (1982), Indian Agriculture Economics; Myths And Reality, Allied Publishers, New Delhi.
10. Saini, G.R. (1979), Farm Size, Resource Use Efficiency And Income Distribution, Allied Publishers, New Delhi.

University Syllabus
M.A. (Economics) Second Year
PAPER IV: AGRICULTURAL ECONOMICS

Unit 1: Agriculture and Economic Development : Nature and Scope of agricultural and rural economics : Traditional agriculture and its modernization : Role of agriculture in economic development : interdependence between agriculture and industry - some empirical evidence : Models of interaction between agriculture and the rest of the economy : Agriculture development, poverty and environment.

Unit 2: Diversification of Rural Economic Activities : Livestock - economic -Livestock resources and their productivity: Problems of marketing : White revolution : Fishery and poultry development, Forestry, Horticulture and floriculture : Issues and problems in rural industrialization and development of agro-based industries.

Unit 3 : Economics of Rural Infrastructure : Use of land, water and energy : Rural transport, communication, banking, extension services, role modes and problems of rural electrification : Rural social infrastructure - education and health and information dissemination.

Unit 4 : Agricultural Production and Land Reforms : Agricultural production -Resource use and efficiency : Supply response of individual crops and aggregate supply : Resources use efficiency in traditional agriculture : Technical change, labor absorption and gender issues in agriculture services, Land distribution - Structure and trends : Land reform measures and performance : Women and land reforms ; Problems of marginal and small farmers.

Unit 5: Rural Labor Market: Rural labor supply ; marginalization of rural labor: Nature, extent and trend in rural unemployment; Agriculture wages in India; Male - female wage difference; Non-agricultural rural employment - Trends and determinants.

Unit 6: Rural Finance: Role of capital and rural credit; Organized and unorganized capital market; Rural savings and capital formation; Characteristics and sources of rural credit - Institutional and non-institutional; Reorganization of rural credit-cooperative, commercial banks, regional banks, regional rural banks, Role of NABARD.

Unit 7: Cooperation in India : Cooperative movement; Genesis and growth of cooperative sector; Agriculture cooperation in India; Problems and prospects of co-operative institutions.

Unit 8: Agricultural Price : Marketing and State policy : Market structure and imperfections: Regulated Marketed and marketable surplus; State policy; State policy with respect to agricultural marketing; Warehousing; prices; Taxation and crop insurance; Terms of trade between agriculture and non-agricultural prices: Need for state intervention: Objectives of agriculture price policy Food security and public distribution system in India.

Unit 9: Agricultural Growth in India : Recent trends in agricultural growth in India; Inter-regional variations in growth of output and productivity; Cropping pattern shifts: Supply of inputs - Irrigation, power seed and fertilizers: Pricing of inputs and role of subsidies: Sustainable agriculture - indigenous practices; Bio-technological practices and growth potential.