

SRI SAI UNIVERSITY, PALAMPUR (H.P.)

| MASTER OF ECONOMICS | | | | | | |
|---|-------------------|--|----|---|---|------|
| Course No | Course Code | Subject | L | T | P | Cr |
| First Semester | | | | | | |
| 1 | ECON211 | Micro Economics | 4 | 0 | 0 | 4 |
| 2 | ECON212 | Economics of Development & Planning | 4 | 0 | 0 | 4 |
| 3 | MA 008 | Statistics for management | 4 | 1 | 0 | 4.5 |
| 4 | ECON213 | Seminar- I (Economics Concepts) | 2 | 0 | 2 | 3 |
| | | Sub-Total (I-Sem) | 14 | 1 | 2 | 15.5 |
| Second Semester | | | | | | |
| 1 | ECON221 | Macro Economics | 4 | 0 | 0 | 4 |
| 2 | ECON222 | Evolution of Indian Economic System | 4 | 0 | 0 | 4 |
| 3 | ECON223/ BM111 | Elementary Mathematical Economics / RM | 2 | 1 | 2 | 3.5 |
| 4 | ECON224 | Agricultural Economics | 4 | 0 | 0 | 4 |
| | | Sub-Total (II-Sem) | 14 | 1 | 2 | 15.5 |
| Third Semester | | | | | | |
| 1 | ECON231 | International Economics | 4 | 0 | 0 | 4 |
| 2 | ECON232 | Money and Banking | 4 | 0 | 0 | 4 |
| 3 | ECON233 | Industrial Economics | 4 | 0 | 0 | 4 |
| 4 | ECON234 | Seminar-II (History of Economic Thought) | 2 | 0 | 2 | 3 |
| | | Sub-Total (III-Sem) | 14 | 0 | 2 | 15 |
| Fourth semester | | | | | | |
| 1 | ECON241 | Environmental Economics | 4 | 0 | 0 | 4 |
| 2 | ECON242 | Labour Economics | 4 | 0 | 0 | 4 |
| 3 | ECON243 | Seminar-III (Current Economic Issues) | 2 | 0 | 2 | 3 |
| Optional has to those any one of the following optional course | | | | | | |
| 4 | ECON244 | Advanced Agricultural Economics | 4 | 0 | 0 | 4 |
| 5 | ECON245 | Advanced Industrial Economics | 4 | 0 | 0 | 4 |
| | | Sub-Total (III-Sem) | 14 | 0 | 2 | 15 |
| | | Grand Total | 56 | 2 | 8 | 61 |

Head of Department (Mgt.)

ECON211 Micro Economics

L T P Cr

4 0 0 4

Unit-I

Scope of micro economics, methodology of economics as a positive science, demand analysis, theory of consumer behaviour, cardinal utility theory, ordinal utility theory, and revealed preference hypothesis, applications of ordinal and revealed preference approaches and measurement of consumer surplus

Unit-II

Production and cost: Technology and production function, cost minimising equilibrium and choice techniques and scale, expansion path and derivation of long run average cost. Sources of various economies and diseconomies of scale. Production cost curves and learning curves. Saucer shaped and L shape long run average cost curves, Saucer shaped average variable cost curves. Relationship between short run and long run cost curves.

Unit –III

Market Structures and Pricing Process: Equilibrium of firm and industry under perfect competition; Monopoly; bilateral monopoly; price discrimination, and Monopolistic competition; Oligopoly: Definition and meaning, Cournot model, Bertrand model. Profit maximization vs Baumal's Sales maximisation hypothesis. Introduction to Game Theory

Unit-IV

Factor Pricing: The Marginal Productivity Theory of Distribution. The adding up Problem and Euler's theorem. Modern theory of distribution. Theory of Rent: Ricardian and Modern. Theories of Interest: Classical, Theories of Wages: Wage determination under perfect and imperfect competition; wage determination under trade unionism.

Unit- V

Welfare Economics: Pareto optimality conditions in production, consumption and exchange, Kaldor-Hicks compensation criterion, Bergson-Samuelson social welfare function, maximisation of social welfare function, efficiency and welfare maximisation in perfect competition, inefficiency of imperfect competition, externalities in production and consumption and market failure due to externalities in production.

Prescribed Text Books:

1. Koutsoyiannis, A. (1985), Modern Microeconomics, Macmillan, London.

2. Pindyck, Robert S. and Rubinfeld, Daniel L. (2009), Micro Economics (7th Edition), Pearson Education, New Delhi.
3. Varian Hal R (1995), Intermediate Micro Economics: A Modern Approach, W.W Norton, New York

Supplementary Readings:

1. Ferguson, C.E. (1968), Microeconomic Theory, Cambridge University Press, London.
2. Stigler, G.J.(1996), The Theory of Price (4th Edition), Premier Hall, New Delhi

ECON212 Economics of Development and Planning

| L | T | P | Cr |
|---|---|---|----|
| 4 | 0 | 0 | 4 |

Unit – I

Nature and Scope of Development Economics, Measures of Development, Purchasing Power Parity, PQLI, HDI, Sen’s Capability Approach. Core values and Objectives of Development, Characteristics of Underdevelopment, Rostow’s Stages of Growth, Kaldor’s Growth Laws.

Unit – II

Classical, Malthus, Marxian and Schumpeterian Models of Economic Development. Balanced and Unbalanced Growth, Big-Push Theory; Critical Minimum Effort Thesis, Low Level Equilibrium Trap. Lewis and Ranis-Fei models of economic development. Modern Economic Growth, Kuznet’s Six Characteristics, Harrod-Domar Model, Solow Model, Technical Progress, Convergence.

Unit – III

New Growth Theories, Romer Model, Human Capital and Growth, Technical Progress and Human Decisions, Total Factor Productivity. Economic Inequality, Measuring Economic Inequality, Kuznet’s Inverted-U Hypothesis, Poverty and Undernutrition.

Unit – IV

Migration-Harris-Todaro Model, Market Mechanism and Market Failures, Role of State, Development Plans, Policy Models, Projection Models, Allocation of resources, Comparative Cost Doctrine, Project Appraisal, Social Cost-Benefit Analysis and Shadow Wages,

Unit – V

Role of Planning and the Planning Commission in the New Indian Economy, Mahalanobis Model, Sustainable Development, Choice of Techniques, Input-Output Analysis. Financing Development from Domestic resources, Foreign Assistance, debt and Development.

Prescribed Text Books

1. Ray, Debraj (1998), Development Economics, Oxford University Press, New Delhi.
2. Thirwall, A. P. (2006), Growth and Development with Special Reference to Developing Economies, 8th Edition, Palgrave Macmillan, New York.
3. Todaro, M. P. and Smith, S. C. (2003), Economic Development, Pearson Education Limited, New Delhi.

Supplementary Reading:

1. Sen, Amartya (1999), Development vs. Freedom, Oxford University Press, London.
2. Higgins, B. (1966), Economic Development, Central Book Depot, Allahabad.
3. Basu, Kausik (1998), Analytical Development Economics, Oxford India Paperbacks, New Delhi.

MA008: STATISTICS FOR MANAGEMENT

L T P Cr

4 1 0 4.5

INTRODUCTION TO STATISTICS & PROBABILITY : Statistics – Definition, Types. Types of variables – Organising data - Descriptive Measures. Basic definitions and rules for probability, conditional probability independence of events, Baye’s theorem, and random variables, Probability distributions: Binomial, Poisson, Uniform and Normal distributions.

SAMPLING DISTRIBUTION AND ESTIMATION: Introduction to sampling distributions, sampling distribution of mean and proportion, application of central limit theorem, sampling techniques. Estimation: Point and Interval estimates for population parameters of large sample and small samples, determining the sample size.

TESTING OF HYPOTHESIS: Hypothesis testing: one sample and two sample tests for means and proportions of large samples (z-test), one sample and two sample tests for means of small samples (t-test), F-test for two sample standard deviations. ANOVA one and two way – Design of experiments.

NON-PARAMETRIC METHODS: Chi-square test for single sample standard deviation. Chi-square tests for independence of attributes and goodness of fit. Sign test for paired data. Rank sum test. Kolmogorov-Smirnov – test for goodness of fit, comparing two populations. Mann – Whitney U test and Kruskal Wallis test. One sample run test, rank correlation.

CORRELATION, REGRESSION, INDEX NUMERS AND TIME SERIES ANALYSIS: Correlation analysis, estimation of regression line. Time series analysis: Variations in time series, trend analysis, cyclical variations, seasonal variations and irregular variations. Index Numbers – Laspeyre’s, Paasche’s and Fisher’s Ideal index.

Text Books:-

Levin R.I. and Rubin D.S., Statistics for Management, PHI

Srivatsava TN, Shailaja Rego, Statistics for Management, TMH.

Anand Sharma, Statistics for Management, Himalaya Publishing House

References:-

Anderson D.R., Sweeney D.J. and Williams T.A., Statistics for business and economics, Thomson (South – Western) Asia, Singapore

Aczel A.D. and Sounderpandian J., Complete Business Statistics, TMH

Prem S. Mann, Introductory Statistics, Wiley Student Edition.

ECON213 SEMINAR- I (ECONOMICS CONCEPTS)

L T P Cr

0 0 2 1

The seminars will involve presentations and discussions on Economics Thinkers and their contributions to the economic thought; functions of economics; domestic and global business environment; corporate social responsibility; economics ethics and current business issues and environment.

At the end of each session the instructor will add value to the topic of presentation/ discussion by way of additional input and answering student queries.

The Precise time and topic schedule and the procedure of evaluation will be notified by the teacher in-charge before the second class of Seminar-I.

Semester II

ECON221 Macro Economics

Unit – I

Schools in Macroeconomics, Basic models of Macroeconomics. National income: concepts and measurement. Macro Economic Theories of Consumption: Inter-Temporal Model of Consumer Behaviour, Relative income, Permanent income, Role of liquidity constraint and Pigou effect and real balance effect on consumption demand.

Unit-II

Macro Economic Theories of Investment: The Keynesian approach, Accelerator theory, Neo-classical theory of investment, Tobin's Q theory of investment. The Demand for Money: Keynesian approach, Baumal and Tobin's contribution and Friedman's restatement of quantity theory of money.

Unit-III

Derivation, properties and shifts in IS and LM curves and simultaneously equilibrium in the goods and money market. Effects of monetary and fiscal policies under different cases in IS and LM framework including derivation of aggregate demand curve. Monetary and Fiscal Policy Multipliers

Demand and supply of labour: The Classical and Keynesian views. Keynesian and Classical model of income determination. Wage price flexibility.

Unit-IV

Theories of Inflation; Demand – pull and cost-push inflation; short and long-run Phillips curve analysis; The Keynesian, the monetarist and the rational expectations analysis.

Unit-V

Keynesian and monetarist perspectives on monetary, fiscal and income policies. Stabilisation policies: Rules Vs Discretion: lagged effects of policies and role of expectations. Crowding out effect and government budget constraint. Rational expectations and effectiveness of stabilization policies. Models of Real Business Cycles .

Prescribed Text Books:

1. Branson, W.H., (2005), Macro-Economic Theory and Policy, East-West Press Private Limited, New Delhi.
2. Richard T. Froyen (2012), Macroeconomics: Theories and Policies, Pearson.
3. Dornbusch, R. and S. Fischer (2005), Macroeconomics, 4th Edition, McGraw-Hill Education Private Limited, New Delhi.

Supplementary Readings:

1. Oliver Blanchard (2006), Macroeconomics, Pearson

2. Errol D Souza (2012), Macroeconomics, Pearson, New Delhi, New York.
3. Rakshit, M. (1998), Studies in Macroeconomics in Developing Countries, Oxford University Press, New Delhi
4. Shapiro, Edward (1984), Macroeconomic Analysis, Galgotia Publication, New Delhi

ECON222 Evolution of Indian Economic System

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| L | T | P | Cr |
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Unit – I

Indian economy on eve of independence; Economic Development during 1857-1947: Trend towards market economy. Economic consequences of British Rule.

Unit – II

Agriculture: Evolution of land tenure system, commercialization of agriculture, role, nature and cropping pattern; productivity and production trends; green revolution; agriculture finance and marketing; agriculture price policy; agriculture subsidies and food security in India

Industry Sector: role and importance, Industrial policy of 1948, 1956, 1977 and 1991; Industrial licensing policy —FERA and FEMA; small and cottage Industries; privatization and disinvestment; industrial sickness. Nature, causes and magnitude of poverty, inequality and unemployment.

Unit – III

Indian money market: components and characteristics; banking sector in India; financial sector reforms. Indian capital market: components and characteristics; SEBI; capital market reforms; Parallel economy and its implications.

Unit – IV

International Trade Policies: composition and directions of India's foreign trade; factors determining the balance of payment; Disequilibrium in the balance of payment; Causes, consequences and policy measure; exchange rate policy and the convertibility of Rupee.

Unit – V

Planning in India: rationale, objective and evaluation of economic planning; 11th five year and 12th five year plan. Rationale of internal and external reforms; Globalisation of Indian economy; W.T.O. and its impact on the different sectors of the economy

Prescribed Text Books:

1. Misra S.K. & V.K.Puri (28th Edition) Indian Economy – Himalaya Publication house Mumbai.
2. RudraDutt and K.P.M. Sundram (2009), Indian Economy, S. Chand, New Delhi.

3. Dhingra, I. C. (2001), The Indian Economy : Environment and Policy, Sultan Chand & Sons, New Delhi.
4. Government of India, Economic Survey (Annual), Ministry of Finance, New Delhi
5. Economic and Political Weekly (Various Issues)

Supplementary Readings:

1. Ahluwalia, I J (Eds.) (1998), India's Economic Reforms & Development (Essays in Honour of Manmohan Singh), Oxford University Press, New Delhi
2. Brahmamnda, P. R. and V. R. Panchumkhi, (Eds) (1987). The Development Process of the Indian Economy, Himalaya Publishing House, Bombay.
3. Jalan B (1992), The Indian Economy-Problems and Prospects, Viking, New Delhi Publication, Calcutta.
4. Ahluwalia, I J (1995), Industrial Growth in India, Oxford University Press, New Delhi
5. Byres, T. J. (Ed) (1998), The Indian Economy: Major debates Since Independence, Oxford University Press, New Delhi
6. Rangarajan, C (1998), Indian Economy: Essays on Money and Finance, UBS, New Delhi.
7. Chelliah Raja J. (1996), Towards Sustainable Growth- Essays in Physical and Financial Sector Reforms in India, Oxford University Press, New Delhi.
8. Dandekar, V. M. & N. Rath (1971), Poverty in India; Indian School of Political Economy, Bombay.
9. Kaushikbasu (ed.) (2004), India's Emerging Economy: Performance and Prospects in the 1990s and Beyond, Oxford University Press, New Delhi

ECON223 Elementary Mathematical Economics

L T P Cr
2 1 2 3.5

Unit- I

Significance of Mathematics in Economics; Real numbers; Set theory; Relations and functions; Economic equilibrium analysis.

Unit- II

Linear models and Matrix Algebra: Matrix operations; Commutative, associative, distributive laws, Transposes, Determinants, Nonsingularity, Laplace expansion, Matrix inversion, Cramer's rule; Applications in Economics: Input-output model.

Unit- III

The derivative: Limit; Continuity; differentiability, Rules of differentiation, Partial differentiation, Total differentials, Total derivatives, Implicit functions; Applications in Economics: Input-Output Model, Market Models.

Unit- IV

Optimization: First and second derivative tests; Derivatives of exponential function and logarithmic function: Applications in Economics: Profit Maximization.

Functions of two or more variables: Second order partial derivatives and total differentials; Finding maximum/minimum: Unconstrained optimization, Quadratic forms, Characteristic roots, Concavity and convexity; Applications in Economics: Problem of multiproduct firm, Price discrimination..

Unit- V

Rules of integration; Indefinite integrals; Definite integrals; Improper integrals; Applications in Economics: Domar Growth model. First order difference equations: Dynamic stability of equilibrium; Applications in Economics: Cobweb model. Second order difference equations: Applications in Economics: Samuelson trade cycle model.

Prescribed Text Books:

1. Carter, Michael (2001). Foundations of Mathematical Economics. Cambridge: MIT Press.
2. Chiang, Alpha C. and Kevin Wainwright (2005) Fundamental Methods of Mathematical Economics 4th Edition. New York: McGraw-Hill/Irwin.
3. Franklin, Joel N. (2003). Methods of Mathematical Economics: Linear and Nonlinear Programming, Fixed-Point Theorems. Delhi: PHI Learning Private Limited.
4. Intriligator, Michael D. (2013). Mathematical Optimization and Economic Theory. Delhi: PHI Learning Private Limited.

Supplementary Readings:

1. Simon, Carl P. and Lawrence E. Blume (1994). Mathematics for Economists. New York: W. W. Norton & Company.
2. Sundaram, Rangarajan K. (1996). A First Course in Optimization Theory. New York: Cambridge University Press.
3. Sydsaeter, Knut and Peter J. Hammond (1995) Mathematics for Economic Analysis. New Delhi: Pearson Education.
4. Sydsaeter, Knut, Peter J. Hammond, Atle Seierstad and Arne Strom (2008) Further Mathematics for Economic Analysis 2nd Edition. Prentice Hall.
5. Vohra, Rakesh V. (2005). Advanced Mathematical Economics. New York: Routledge.

BM111: RESEARCH METHODOLOGY

INTRODUCTION: Business Research – Definition and Significance – the research process – Types of Research – Exploratory and causal Research – Theoretical and empirical Research – Cross –Sectional and time – series Research – Research questions / Problems – Research objectives – Research hypotheses – characteristics – Research in an evolutionary perspective – the role of theory in research.

RESEARCH DESIGN AND MEASUREMENT : Research design – Definition – types of research design – exploratory and causal research design – Descriptive and experimental design – different types of experimental design – Validity of findings – internal and external validity – Variables in Research – Measurement and scaling – Different scales – Construction of instrument – Validity and Reliability of instrument.

DATA COLLECTION: Types of data – Primary Vs Secondary data – Methods of primary data collection – Survey Vs Observation – Experiments – Construction of questionnaire and instrument – Validation of questionnaire – Sampling plan – Sample size – determinants optimal sample size – sampling techniques – Probability Vs Non–probability sampling methods.

DATA PREPARATION AND ANALYSIS: Data Preparation – editing – Coding –Data entry – Validity of data – Qualitative Vs Quantitative data analyses; Bivariate and Multivariate statistical techniques – Factor analysis, Conjoint Analysis, Discriminant analysis, cluster analysis, multiple regression and correlation, multidimensional scaling, Application of statistical software (SPSS) for data analysis.

REPORT DESIGN, WRITING AND ETHICS IN BUSINESS RESEARCH: Research report –Different types – Contents of report – need of executive summary – chapterization – contents of chapter – report writing – the role of audience – readability – comprehension – tone – final proof – report format – title of the report – ethics in research – ethical behaviour of research – subjectivity and objectivity in research.

Text Books:-

1. Donald R. Cooper and Pamela S. Schindler, Business Research methods TMH
2. Alan Bryman and Emma Bell, Business Research methods, Oxford ,University Press.
3. Uma Sekaran, Research methods for Business, Wiley India.
4. K. N. Krishnaswamy, Appa Iyer Sivakumar and M. Mathirajan, Management, Research Methodology, Pearson Education

References Books:-

1. Gupta.S.P. Statistical Methods,, Sultan Chand.
2. Golden.-Biddle.Koren and Karen D.Locke: Composing Qualitative Research, Sage
3. Salkind, Neil j.. Exploring Research, Prentice-Hall

ECON224 Agricultural Economics

L T P Cr

4 0 0 4

Unit-I Agricultural Development and Agricultural Production and Resource Use

- Role of agriculture in economic development. Decline in the importance of agriculture with economic growth and structural change.
- Production function, input-input and product-product relationships.
- Equilibrium of the capitalist farm and peasant family farm.
- Equilibrium of share-tenant farm and its efficiency

Unit-II Supply and Demand for Agricultural Commodities

- Nature and Type of Risk and Uncertainty in Agriculture
- Methods used by farmers and Government policies for reducing risk and uncertainty
- Nature of supply and demand for agricultural products and structure of agricultural markets
- Instability of agricultural prices; need and objectives of agricultural price policy
- Schultazian theory and role of technological change in modernization of traditional agriculture

Unit-III Land reforms, Agrarian Structure and Green Revolution

- Objectives, progress and assessment of land reforms in India
- Nature of the emerging agrarian structure
- Progress of Green revolution in India and its impact on production, rural employment and income distribution
- Overview of growth rates of area, production and productivity of major crops
- Regional disparities in agricultural development

Unit-IV Farm Size Productivity, Mechanisation, Terms of Trade and Price Policy

- Nature of return to scale and farm size productivity relationship in Indian agriculture.
- Problems of mechanization of Indian agriculture
- Terms of trade of agricultural sector in India since independence
- Objectives and problems of agricultural price policy in India

Unit –V Agricultural Credit and WTO and Indian Agricultural

- Agricultural Credit in India: Sources, problems and government policies since independence.
- Capital Formation in Indian Agriculture
- Recent initiatives in improving access to credit in agriculture
- WTO and Indian Agriculture

Prescribed Text Books

1. Heady, E. O. (1952) Economics of Agricultural Production and Resource Use, Prentice-Hall of India Pvt. Ltd, New Delhi.
2. Schultz, T. W. (1969), Transforming Traditional Agriculture, Lyall Book Depot, Ludhiana.
3. Himmat Singh (2001), Green Revolution Reconsidered, Oxford University Press, New Delhi
4. R. Cohen (1968), The Economics of Agriculture, Butler & Tanner Limited, Frome and London, London
5. Rao, C. H. Hanumantha (2005), Agriculture, Food Security, Poverty and Environment, Oxford University Press, New Delhi
6. L. S. Subba Reddy, P. Raghu Ram, T. V. Neelakanta Satry and I Bhavani Devi (2004), Agricultural Economics, Oxford IBh Publishing Co. Pvt. Ltd., New Delhi
7. Bhalla G S Gurmail Singh (2001), Indian Agriculture: Four Decades of Development, Sage Publication, New Delhi

Suggested Additional Readings

8. Sharma, H. R. (1995), Agrarian Relations in India: Patterns and Implications, Har-Anand Publication, New Delhi.
9. Bruce F. Johnston and John W Mellor (1962), 'Role Agriculture in Economic Development American Economic Review, Vol.51, No. 4, Sept, pp. 566-593
10. Sharma, H. R. (1994), 'Distribution of Landholdings in Rural India, 1953-54 to 1981-82: Implications for Land Reforms', Economic and Political Weekly, Vol. XXIV, No. 13, pp. A12-A25.
11. Bandhu Das Sen (1974), The Green Revolution in India, Wiley Eastern Private Limited, New Delhi
12. Sharma, H. R. (2010), 'Magnitude, Structure and Determinants of Tenancy in Rural India: A State Level Analysis', Indian Journal of Agricultural Economics, Vol. 65, No. 1, pp. 80-100

Semester III

ECON231 International Economics

L T P Cr
4 0 0 4

Unit-I: Introduction and Theories of International Trade

- Introduction to International Economics
- Trade : Inter– regional and International ; Gains from Trade
- The Pure Theory of International Trade: Theories of absolute advantage, Comparative advantage and opportunity costs.
- Heckscher -Ohlin theory of trade and Leontief paradox
- Factor price equalization theorem and Stopler-Samuelson Theorem
- The Rybczynski Theorem and Immiserising growth

Unit-II New Approaches to International Trade

- News approaches to trade theory the Product cycle and economies of scale theory
- Preference similarity hypothesis
- Causes of emergence and measurement of intra-industry trade.
- Economies of scale; imperfect competition and international trade

Unit-III Tariffs, Economic Integration and Custom Union

- Theory of Tariffs: Effects of tariffs on balance of payments, terms of trade, national income, consumption, output and income distribution.
- Emergence of and the political economy of Non-tariff barriers
- Regionalism and multilaterals
- Optimum and effective rate of tariffs
- Forms of economic integration: The Theory of customs union.
- Prospects of forming a customs union in developing areas with reference to Asian region.

Unit-IV Balance of Payment and Exchange Rate

- Concepts and components of balance of payments, dis-equilibrium in the balance of payments
- The process of adjustment in the Balance of Payments under Gold Standard, fixed exchange rate and flexible exchange rate systems.
- Elasticity and absorption approaches to balance of payments.
- Monetary and fiscal measures for adjustment in balance of payments dis-equilibrium
- Monetary approaches to the balance of payments.
- Foreign trade multiplier with and without foreign repercussions.
- Fixed and Flexible exchange rates.

Unit-V International Economic Institutions

- International Monetary system
- Role of Multinational corporations in developing countries with special reference to India
- International economic institutions; Functions and achievements WTO , IMF ,ADB and SAARC

- Impact of WTO on different sectors of the Indian Economy
- Globalization and Anti Globalization

Text Books

1. Sodersten, B.O. and Geoffrey Reed (3rded.) (1999), International Economics, The Macmillan Press Ltd. London.
2. Paul, R. Krugman & Maurice Obstfeld (2000), International Economics: Theory and Policy (5th ed.), Addison-Wesley, Longman, Pearson Education.
3. Salvatore, D. (1996), International Economics, Prentice Hall, New York

ECON232 Money and Banking

L T P Cr
4 0 0 4

Unit-1:

Money and Interest Rates, changes in equilibrium interest rate, risk structure of interest rates, the subprime collapse and the Baa-Treasury Spread, Expectations theory, market segmentation theory, liquidity premium theory, the lemon problem.

Unit-2:

Commercial Banks- theoretical basis, profitability & liquidity management, growth and structure, Assets & liabilities of banks, lending & portfolio choice, risk management in banking. Co-operative Banks- origin & growth, features, problems & policy, Khusro committee recommendation. Small savings, provident funds, and pension funds, current pension schemes.

Unit-3:

Supply of Money-sources of money supply, measures and theory of money supply, monetary expansion & the money multiplier, monetary expansion & currency drain, Reserve Bank of India-Organization and Management, Roles, Monetary policy, recent policy development, liquidity adjustment facility, challenges to monetary policy in India, Securities and Exchange Board of India

Unit-4:

Call Money Market, Treasury Bills Market, Commercial Bills Market, Market for Commercial Paper & Certificate of Deposits, The Discount Market, Market for Financial Guarantees, Government (Gilt-Edged) Securities Market

Unit-5:

Industrial Securities Market, Futures, Options and Other Financial Derivatives, Role and Functions of Insurance Companies, Bancassurance & IRDA, Financial Crisis & its Damage to the Economy.

Prescribed Text Books

- Bhole, L M (2009): Financial Institutions & Markets, Tata McGraw Hill (5th Edition).
- Mishkin, Frederic S & Eakins, Stanley G. (2012): The Economics of Money, Banking and Financial Markets, Prentice Hall (7th Edition).
- Indian Institute of Banking and Finance (2008): Principles & Practices of Banking, Macmillan.
- **Selected Materials will be provided in the class room for reading and discussion.**

Supplementary Readings:

- Reddy Y V (2000): A Review of Monetary and Financial Sector Reforms: A Central Bank's Perspective, Universal Book Stall, New Delhi.
- Lewis & Muzan (2000): Monetary Economics, Oxford University Press.
- Journal of Money, Credit, and Banking.
- The Economics Times, The Business Line, & Financial Express.

ECON233 Industrial Economics

L T P Cr
4 0 0 4

UNIT-1:

Introduction: History and Scope, A framework of Industrial Economics. Cost and Supply: Production cost and economies of scale, Empirical cost curves, The survivor technique. Pricing and Market Structure, Models of Advertising Expenditure, Vertical relationships in market, Empirical evidence on Pricing, Market Structure and Profitability

UNIT-2:

The Nature of Firm: Characteristics of Industrial Companies, Ownership and Control of Firm, Firm as Resource-allocating organization, Objectives of the Firm; The Growth of Firm: The Marris growth model, Demand constraint, The Growth and Vertical Integration, Size and Growth of Firm, Problems of Theory of Growth of Firm; Company Finance: The flow and cost of funds.

UNIT-3: Investment and Pricing Decisions

Investment Decision: Theory of Investment, Empirical Studies of Investment, Impact of Government Policy; Research & Development expenditure and Investment decision. The Stock Market Evaluation of Firms, The Pure Theory of Mergers, Acquisitions and Takeovers; Market Structure and Development of Firms; Market Structure and Public Policy;

UNIT-4: Theories of Industrial Location

Theories of Industrial Location: Webber, Sargent Florence, Industrial Location Quotient. Factors influencing location of industries. Industrial imbalance: causes and measures. Need for balanced regional development of industries.

UNIT-5: Industrial Finance and Policies

Industrial Finance: Meaning, Scope, Importance of Industrial finance, Sources of Industrial Finance: Private, Public and Co-operative Sector; Shares, Debentures, Bonds, Deposits, Loan etc. Role, Nature, volume and types of institutional finance. Foreign capital, Need for foreign capital, Government policy towards foreign capital, Direct Investment, Foreign Institutional Investment, Euro Issues, GDR, ADR, External Commercial Borrowings.

Brief Outline of Industrial Policies of 1948, 1956, 1977. Industrial Policies since 1991. Trends in Industrial Growth since liberalization. Performance and problems of small scale and cottage industries in India. Role of MNCs in India. Review of economic recession in industrially advanced economies and its impact on India.

Prescribed Text Books

Alhuwalia, I.J. (1985), Industrial Growth in India, Oxford University Press, New Delhi
Hay, D. A. and D. J. Morris (1991), Industrial Economics and Organization: Theory and Evidence, Oxford University Press, New York.

Ferguson, Paul R. and Glenys J. Ferguson, (1994), Industrial Economics: Issues and Perspectives, Macmillan, London.

Selected articles and materials will be provided in the classroom for reading and discussion.

Supplementary Readings:

Ahluwalia, I. J. (1991), Productivity and Growth in Indian Manufacturing, Oxford University Press, New Delhi.

Devine, P.J., N. Lee, R.M. Jones, W. J. Tyson (1976), An Introduction to Industrial Economics, George, Allen and Unwin Ltd., London.

Koutsoyiannis, A. (1985), Modern Microeconomics, Macmillan, London.

ECON234 Seminar-II (History of Economic Thought)

L T P Cr

4 0 0 4

Unit – I

Pre Adamite Economics: Mercantilism, The eighteenth-Century Predecessors, Physiocracy **Adam Smith:** Measurement and Cause of Value, Division of Labor, Cost of Production, Wages, Rent, Invisible Hand, Taxation.

Unit-II

Malthus' Theory of Population.

David Ricardo: Diminishing Returns and Theory of Rent, Theory of Value, The Fundamental Theorem of Distribution, Capital Accumulation, Technical Change.

Unit-III

Say's Law and Classical Monetary Theory: Say's Law of Market, Malthus's Theory of Gluts.

John Stuart Mill and His Principles

Marxian Economics: Value, Surplus Value, Economic Surplus, The Great Contradiction, The Transformation Problem and its Solution, Historical Transformation, The Laws of Motion of Capitalism, The Law of Falling Rate of Profits, The Reproduction Schema.

Unit-IV

The Marginal Revolution: The Emergence of Marginal Utility, Jevons, Cournot on Profit Maximization, Duopoly Theory.

Marshallian Economics: Utility Theory, Welfare Economics, Cost and Supply

Marginal Productivity and Factor Prices: The Demand for Factor of Production, Homogenous Production Function, The Optimum Size of the Firm, The Theory of Profit, Aggregate Production Function, Technical Change and Process Innovation.

Unit-V

The Austrian Theory of Capital and Interest: Bohm-Bawerk's Theory of Interest, The Average Period of Production, The Switch Theorem, Fisher's Theory of Interest, The Ricardo Effect.

General Equilibrium and Welfare Economics: Walrasian General Equilibrium, Paretian Welfare Economics.

The Neo-classical Theory of Money, Interest and Prices

Recent Developments in Economics

Prescribed Text Books:

1. Blaug, Mark (1997). Economic Theory in Retrospect, 5th ed. Cambridge University Press, Cambridge.
2. Hunt, E. K. and Mark Lautzenheiser (2011) History of economic thought: A Critical Perspective, 3rd ed. PHI Learning Private Limited, New Delhi.
3. Schumpeter, Joseph (1954). History of Economic Analysis, Oxford University Press, New York.

Supplementary Readings:

1. Backhouse, Roger E. (2002). *The Ordinary Business of Life*, Princeton University Press.
2. Buchholz, Todd G. (1999). *New Ideas from Dead Economists*, Penguin Group, New York.
3. Ekelund, Robert B., Jr. and Robert F. Hébert (2007). *A History of Economic Theory and Method*. 5th ed. Waveland Press.
4. Heilbroner, Robert L. (2003). *The Worldly Philosophers*, updated 7th edition, Simon and Schuster, New York.
5. Medema, Steven G., and Warren J. Samuels (2003). *The History of Economic Thought: A Reader*. Routledge, London.
6. Robbins, L. C. (1998). *A History of Economic Thought: The LSE Lectures*, Princeton University Press, Princeton NJ.
7. Samuelson, Paul A., and William A. Barnett, ed. (2007). *Inside the Economist's Mind: Conversations with Eminent Economists*, Wiley.

Semester IV

ECON241 Environmental Economics

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UNIT-I

Scope of Environmental Economics:

Environment, Ecology and Economy, Introduction to law of thermodynamics, Major environment problems, Environment sustainability; sustainability rule, indicators of sustainability. LDCs and sustainable development, Sustainable accounting.

Unit- II

Environmental Externality:

Hedonic Price Theory, Market failure: Public goods and externalities, Property rights. The Coase Theorem, Economics of exhaustible resources; Resources Taxonomy, scarcity and management.

Unit- III

Environment Regulation:

Rationale for regulation, Basic regulatory instruments; Pigovian fees, single polluters, multiple pollutes. Regulation with unknown Control Costs; Permits or Fees, Emission Fees or Quality regulation, Hybrid price or quantity regulations.

Unit- IV

Policies for Controlling pollution:

Economic persuasive; their relative effectiveness in LDCs, Relation between population, poverty and environmental degradation. Micro planning for environment and Eco preservation; watersheds, Joint forest management and self help groups.

Unit- V

Current status of pollution in India, role of state in environment preservation, Review of environmental legislation in India, Women, Environment and E.D, Environmental issues in global content, Green house gases ozone depletion, Montreal Protocol.

Text Books

- Charles D. Kolstad (2000), Environmental Economics, Oxford University Press, New Delhi.
- Nick Hanley, Jason F. Shogren and Ben White (2000), Environmental Economics in Theory and Practice, Macmillan
- Rabindra, N. Bhattacharya (2001), Environmental Economics: An Indian Perspective, Oxford University Press, New Delhi.

Supplementary Readings

- Charles Perrings (2009), Ecological Economics, Sage Publications, New Delhi.
- Johansson Per-Olov (1987), The Economic Theory and Measurement of Environmental Economics, Cambridge University Press.
- William Baumal and Wallace E. Oats (1998), The Theory of Environmental Policy, 2nd Edition, Cambridge University Press.
- Daniel W. Bromley (1996) (Eds.), Handbook of Environmental Economics, Blackwell Publishers Ltd.
- Hussen, A.H. (2000), Principles of Environmental Economics Routledge.
- Fisher, A (1981), Resource and Environmental Economics, Cambridge University

ECON242 Labour Economics

L T P Cr
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UNIT I

Nature and characteristics of labour markets; Demand for labour: Under Competitive and not competitive markets; Labour demand elasticities; Supply of labour;labour/Leisure Choice, Empirical findings on income and substitution effects.

UNIT II

Employment and development relationship — Poverty and unemployment in developing countries; Unemployment — Concept, Types, and Measurement, particularly in India; Investment in Human Capital: Education and Training; Employment policy in Five Year Plans and its evaluation.

UNIT – III

Classical, neo-classical and bargaining theories of wage determination; Concepts of minimum wage; Wage determination and inequality ; Asymmetric information and efficiency of labour markets in wage determination; National wage policy; Wages and Wage Boards in India.

UNIT –IV

Unions and the Labour markets: Union structure and membership; Monopoly union model; Efficient Contracts Model ; Collective bargaining ; Effects of Unions; Labour legislation in India; Indian labour laws and practices in relation to international labour standards.

UNIT – V

State and social security of labour — Concept of social security and its evolution; Social assistance and social insurance; Special problems of labour: Child labour, female labour, Discrimination and gender bias in treatment of labour; Labour market reforms — Exit policy, need for safety nets; Trade Globalization and Labour Markets.

Prescribed Text Books:

- 1) Ehrenberg, G. Ronald and Smith, S Robert (11th Edition) Modern Labour Economics Theory and Public Policy , Pearson , New Delhi
- 2) Smith, Stephen. (2nd Edition) Labour Economics, Routledge

Supplementary Readings:

- 1) Govt. of India: Report of the First and Second National Commission on Labour.
- 2) Govt. of India: Latest Annual Report of the Ministry of Labour.
- 3) Susan Horon, Ravi Ranbur and Deepak Mazumdar (ed.): Labour Market in an Era of Adjustment, Vol. 1, World Bank publication.

ECON243 Seminar-III (Current Economic Issues)

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Current Economic Issues in the country and abroad.

Current economic programmes of the govt of India.

Current economic policies of govt of India.

ECON244 Advanced Agriculture Economics

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Unit – I

Natural Environment; Problem of Soil Erosion, Drought and Floods; Forest Resources & Forestry Development; Land Utilization and Cropping patterns; Nature and scope of Agri. Economic; Interdependence between agri and industry development.

Unit-II

Introduction to manures & fertilizers, improved seeds, plant protection measures.

Working cost of cultivation of important crops like paddy, wheat, maize, potato etc.

Working of economics of cereals, vegetables, flowers, fruit crops.

Working of economics of allied agri activities like dairy, poultry, pisciculture etc.

Unit-III

Models of agricultural development (Lewis, Fei-Ranis, Jorgenson, Mellor, Schultz, and Boserup. Models). Technological change and new agricultural strategy in India, Agro-climatic zonal planning in India.

Unit-IV

Criteria to fix agricultural prices. Intersectoral terms of trade. Measures to increase marketable surplus. Functions of agricultural marketing. Efficiency criteria for agricultural marketing. Problems of Indian agricultural marketing . Measures to improve the efficiency of agricultural marketing in India.

Unit-V

Importance of agricultural finance. Source of agricultural finance, Defects of rural money lending system. Problems of agricultural cooperative societies. Government policy for agricultural credit. Problems and suggestions to improve agricultural finance. Causes of rural indebtedness. Measures to reduce rural indebtedness. Objective and impact of integrated rural development programme. Resource mobilisation from agricultural sector.

ECON245
Advanced Industrial Economics

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Unit – I

Introduction to Micro Small and Medium Enterprise Development Act 2006
Preliminary, National Board for MSMEs
Classification of Enterprises, Advisory Committee and Memorandum of MSMEs
Measures for Promotion, Development and Enhancement of Competitiveness of MSMEs
Delayed Payment to Micro and Small Enterprises, Miscellaneous

Unit – II

MSMEs – Evolution, Conceptual issues, Definitions, components.
Forms of Business Organization – Proprietary concern Partnership, Private and Public Companies
Starting an Enterprise, Choice of Plant and Machinery, Pollution Control Clearance, Gender and Entrepreneurship Development

Unit – III

SMEs Policy, Regulatory and Legal Framework in selected countries
Policy Initiatives, Policy Shifts and Policy Packages for SSI in India.

Unit – IV

SMEs institutional Framework
Centre Govt., State Govt. and Local bodies – Boards, Organizations, Institutions, and Training Centers
Role of Commercial Banks, RRBs, Cooperative Banks, NABARD, SIDBI, Exim Bank, SMERA, SSI –Associations / Confederations/ Federations in industrial development in India, Financing options and modes.

Unit – V

SMEs Development – Business Development Service Providers, Cluster Development, Rehabilitation, Future Prospectus

Suggested Books:

1. The Micro, Small & Medium Enterprises Development Act 2006.
2. Micro Small and Medium Enterprises in India by IIBF – Taxmann Publications Pvt. Ltd.