

MICRO ECONOMICS – I

(Paper – I)

Module – 1 : Introduction

Nature and scope of economics; Methodology in economics; choice as an economic problem; basic postulates; Role of price mechanism; Demand and supply; Basic framework – applications; Market equilibrium

Module – 2 : Consumer behavior

Utility – Cardinal and ordinal approaches; Indifference Curve; Consumers; Equilibrium (Hicks and Slutsky); Giffen goods; compensated demand; Elasticity of demand – Price, income and cross; Consumer's surplus; Engel curve

Module – 3 : Theory of Production and Costs

Production decisions; Iso-quant; Factors substitution; Law of variable proportions; returns to scale; economies of scale; Different concepts of cost and their interrelation; Equilibrium of the firm : Expansion path; Empirical evidence on cost.

Module – 4 : Market structure

Market forms – Perfect and imperfect markets; Equilibrium of a firm – perfect competition; monopolistic competition; Duopoly and oligopoly. Notion of controlled and administered prices.

Module – 5 : Equilibrium in the Product Market

From firm supply to market supply : The short run and long-run supply function. Firm survival and the "Zero-Profit Theorem"; Monopoly Profit – Maximizing optimum; Monopoly and economic efficiency; Price-discrimination

MICRO ECONOMICS – II

(Paper – II)

Module – 1 : Factor Pricing

Marginal Productivity theory of distribution; theories of wage determination; wages and collective bargaining; wage differentials; rent-Scarcity rent; Differential rent; Quasi rent; Interest – Classical and Keynesian Theories; Profit – Innovation, risk and uncertainty theories.

Module – 2 : Factor Market Equilibrium

Single variable factor; The firm's demand for factor services; Several variable factors; Industry demand for factors; Monopsony in the factor market; the optimum of the resource-owner; resource supply to the market; and Factor-market equilibrium.

Module – 3 : Welfare Economics

Problems in measuring welfare. Classical welfare economics; Pareto's criteria; Value judgment; Concept of Social welfare function; compensation principle – Kaldor Hicks

Module – 4 : Investment Analysis

Payback period – average annual rate of return; Net Present Value, Internal rate of return. Criteria, price changes, risk and uncertainty; elements of social cost benefit analysis

Module – 5 : International Trade Theories

Importance of the study of international economics; Theories of absolute advantage, comparative advantage and opportunity cost; Heckscher – Ohlin theory of trade – its main features, assumptions and limitations; concept of tariffs and quotas.

BASIC READING

1. Bach. G.L (1977) Economics, Prentice Hall of India, New Delhi
2. Gauld, J.P and Edward P.L (1996) Microeconomic theory, Richard Irwin, Homewood
3. Health field and Wibe (1987). An introduction to Cost and Production Functions, Mac Millan, London
4. Koutsoyanis, A. (1990) Modern Micro Economics, Mac Millan
5. Lipsey R.G and K.A Chrystal (1999) Principles of Economics (9th ed.) Oxford University Press, Oxford
6. Ray, N.C (1975) An introduction to Micro economics, Mc Millan company of India Ltd. Delhi
7. Stonier A.W. and DC Haque (1972) A text book of Economic Theory, ELBS & Longman Group, London
8. Varian, H.R (2000) Intermediate Microeconomics: A Modern Approach (5th ed.) East-West Press New Delhi

MACRO ECONOMICS – I

(Paper – III)

Module – 1 : National Income and Social Accounts

Concept and measurement of national income; National income statistics; N I identities with government and international trade, Incorporation of environmental concerns in national accounts, green accountings.

Module – 2 : Output and employment

Say's law of markets and the classical theory of employment; Keynes' objection to the classical theory; Aggregate demand and aggregate supply functions; The principle of effective demand and income determination.

Module – 3 : Consumption function

Average and marginal propensity to consume; factor's influencing consumption spending; the relationship between consumption and income, the income multiplier; the Keynesian theory of absolute income Duesenberry's hypothesis of relative income

Module – 4 : Investment & Saving

Equilibrium between investment and saving; The investment multiplier and its effectiveness in LDC's; autonomous and induced investment; marginal efficiency of capital, marginal efficiency of investment, concept of present discounted value; savings and investment – ex-post and ex-ante equality and equilibrium.

Module – 5 : Interest

Classical, Neo-classical and Keynesian theories of interest, Post-Keynesian Theories.

MACRO ECONOMICS – II

(Paper – IV)

Module – 1 : Money

Meaning and functions of money; high-powered money; Grehan's law; Monetary standards, metallic and paper systems; quantity theory of money, classical and Cambridge versions, Keynesian approach.

Module – 2 : Banking

Meaning, types and functions of commercial Banks; the process of credit creation – purpose instruments of credit control by Central Bank

Module – 3 : Trade cycles

Nature and characteristics; Hawtrey's monetary theory; Hayek's overinvestment theory; Keynes's view on trade cycle; the concept of accelerator; control of trade cycles

Module – 4 : Inflation

Inflation, deflation, reflation and stagflation-definition, types, causes and effects of inflation on different sectors of the economy; Analysis of Philip's curve; Measures to control inflation.

Module – 5 : Economic Growth

Sources of growth; Growth Models – Harrod and Domer; Instability of equilibrium; Neo-classical growth models – Solows; Economic growth and technical progress

BASIC READING

1. Ackley, G (1976), Micro economics, Theory and Policy, Mc Millan Publishing Company NY.
2. Day A.C.L (1960) Outline of Monetary Economics; Oxford University Press, Oxford
3. Gupta, S.B (1994) Monetary Economics, S.Chand and Co. Delhi
4. Heijdra, B.J and F.V Ploeg (2001), Foundation of Modern Macroeconomics, Oxford University Press, Oxford
5. Lucas R. (1981) Studies in Business Cycle Theory, MIT Press, Cambridge
6. Shapiro E. (1996) Macro Economic Analysis, Galgotia Publications, New Delhi

INDIAN ECONOMY

(Paper – V)

Module – 1 : Structure of the Indian Economy

Basic features; Characteristics of underdevelopment, role of the state; Issues of sustainable development; Natural resources – Land, water and forest resources

Module – 2 : Population and Development

Broad Demographic features – Population size and growth rates, sex composition; rural – urban migration, occupational distribution; Problem of over-population; Population policy; Infrastructure development; Growth and composition of national income.

Module – 3 : Planning in India

Objectives; strategies; Broad achievements and failures; Current five year plan – objectives, allocation and targets, New economic reforms – Liberalization; privatization and globalization; Rationale behind economic reforms; Progress of privatization and globalization.

Module – 4 : Agriculture

Nature and importance; Trends in agricultural production and productivity; factors determining productivity; Land reforms; New agricultural strategy and green revolution; Rural credit; Agricultural marketing

Module – 5 : Regional Economy

Basic features of Mizoram Economy – agriculture, industry and service sector; finances – Source of revenue, growth trend of public expenditure and debt; Rural development; Land Use Policy; Forest Policy; current status of shifting cultivation.

BASIC READING

1. Datt R and K.P.M Sundharm (2008), Indian Economy, S.Chand and Company Ltd. New Delhi
2. Dinghra I.C (2001) The Indian Economy; Environment and Policy; Sultan Chand & Sons New Delhi
3. Dutt R.C (1950) The economic History of India under early British Rule, Low Price Publication Delhi
4. Misra, S.K and V.K Puri (2001) Indian Economy – Its Development Experience, Himalaya Publishing House, Mumbai
5. Ahuwalia, I.J and IMD Little (Eds) India's Economic Reforms and Development, Oxford University Press, New Delhi

PUBLIC FINANCE

(Paper – VI)

Module – 1 : Nature and Scope of Public Finance

Meaning and scope of public finance; Distinction between private and public finance; Public goods vs. private goods; The principle of maximum social advantage; Market failure; Role of the government

Module – 2 : Public Expenditure

Meaning, classification and principle of public expenditure; Canons and effects of public expenditure; Trends in public expenditure and causes of growth of public expenditure in recent year

Module – 3 : Taxation

Sources of public revenue; Taxation – Meaning, Canons and classification of taxes; Division of tax burden – The benefit and ability-to-pay approaches; Impact and incidence of taxes; Taxable capacity; Effects of taxation; characteristics of a good tax system; Major trends in tax revenue of the central and state governments in India

Module – 4 : Public Debt

Sources of public borrowing; effects of public debt; methods of debt redemption; Growth of India's Public debt: Intergenerational transfer of public debt; Ricardian equivalence theorem

Module – 5 : Public Budget and Financial Administration

The public budget – Kinds of budget, Economic and functional classification of the budget; Preparation and passing of budget in India; Lack of flexibility in Central and State budgets, Shrinking size of development finance through budgets; Role of finance Commission in India

BASIC READING

1. Bhargava, R.N (1971) The theory and working of Union Finance in India, Chaitanya Publishing House, Allahabad
2. Browning E.K; J.M Bowning (2004) : Public Finance and the Price System : Pearson Publication (Singapore) Pvt. Ltd; Indian Branch, Potperganj Delhi
3. Houghton, E.W (Ed) (1988), Public finance, Penguin, Baltimore
4. Jha. R. (1998), Modern Public Economics, Routledge, London.
5. Mithari D.M (1998) Modern Public Finance Himalaya Publishing House, Mumbai
6. Musgrave, R.A and P.B Musgrave (1976), Public finance in Theory and Practice, Mc Graw Hill, Kogakusha, Tokyo.
7. Musgrave R.A (1959) The Theory of Public Finance, Mc Graw Hill, Kogakusha, Tokyo
8. Prakash OM (2008) Public Economics (Theory and Practice), Vishal Publishing Co. Jalendhar
9. RBI, Report on Currency and Finance (Annual) Mumbai

QUANTITATIVE TECHNIQUES – I

(Paper – VII)

Module – 1 : Basic Concepts

Variables, Sets, Basic set operations, different types of functions, different types of equations: linear and non-linear equations and their application in economics.

Module – 2 : Differential Calculus

Limits and continuity of a functions, Rules of differentiation; Maxima and Minima, Elasticities; Equilibrium of a firm and consumer, inter-relationships among total, marginal and average cost and revenues.

Module – 3 : Integral Calculus

Simple Rules of integration of a function, definite integral, application of integration – consumer's and producer's surplus, total revenue and cost.

Module – 4 : Matrices and its Operations

Types of matrices, determinants and its properties, rank, matrix inversion and Cramer's rule.

Module- 5 : Linear Programming

Concept and formulations of linear programming problems. Solution of Linear programming problem by graphical method, Concept of Dual.

AGRICULTURE ECONOMICS

(Paper – VIII (a))

Module – 1 : Rural Economy of India

Structure of the Indian Economy : Place of agriculture in Indian economy; composition of the Indian rural economy; farm sector and non-farm sector; Agriculture and allied activities (fisheries, horticulture, floriculture); Forestry in India, Its growth and problems; Cattle wealth in India and dairying : Rural Industrialisation : food processing industries and agro-based industries, development of rural infrastructure.

Module – 2 : Development of Agriculture

Role and importance of agriculture in Economic Development : Linkage between the agricultural sector and the non-agricultural sector, changing nature of linkages; Agricultural resources in India : Land utilization and cropping pattern; irrigation; Trends in agricultural growth and agricultural productivity; Pattern of agricultural development: regional variation.

Module – 3 : Agrarian Relations and Land Reforms in India

Agrarian relations : Historical evaluation and land reforms programme during 1950's and 1960's; Land reforms : Programme and performance during 1970's and after

Module – 4 : Technological Change in Agriculture

Technology in agriculture; traditional techniques and practices, HYV seeds – fertilizers, water technology (green revolution); Sustainable agriculture; Emerging trends in agricultural technology; Dry land farming, use of bio technology techniques

Module – 5 : 60 years of Indian Agriculture

An overview of agricultural development; underemployment and unemployment in the rural economy; Globalization of Indian economy and its effects on Indian agriculture.

BASIC READING

1. Bilgrami, S A R (2000) An Introduction to Agricultural Economics, (2nd Edition) Himalaya Publishing House, Mumbai.
2. Sadhu, A.N and J. Singh (2000) Agricultural Problems in India (3rd edition) Himalaya Publishing House, Mumbai
3. Sundaram I.S (1999) Rural Development (3rd edition) Himalaya Publishing House, Mumbai
4. Sani R.N (2000) Leading Issues in Agricultural Economics, Arihant Press, Jalandar

INDUSTRIAL ECONOMICS

(Paper – VIII (b))

Module – 1 : Introduction

Industry and economic development; Industry and sectoral linkages; Industrial classification and data information.

Module – 2 : Industrial Organization and Ownership Structure

Public, private, joint and cooperative sectors; Private corporate sector; MNC and their role; Industrial concentration and monopoly;

Module – 3 : Location and Dispersion

Locations of industries – theories of location; Diversification; Integration and merger of industrial units; Dispersion and problem of regional imbalance.

Module – 4 : Financing of Industry

Mode of financing – equity and debt; Institutional Finance; Bank finance

Module – 5 : Industrial Productivity

Concept and measurement of productivity – productivity in Indian industries; industrial sickness; Under utilization of capacity – factors accounting for it and consequences

BASIC READING

1. Aluwalia, I.J (1995) Industrial Growth in India, Oxford University Press, New Delhi
2. Clarkson K.W. and R. Miller (1985) Industrial organization : Theory, Evidence and Public Policy, Mc Graw Hill, Kogakusha, Tokyo
3. Devine, P.J et al (1978) An introduction to Industrial Economics, (3rd edition) George Allen and Unwin London.

4. Government of India, Economic Survey (Annual) New Delhi
5. Mamoria and Mamoria (2000), Dynamics of Industrial Relation in India (13th edition) Himalaya Publishing House, Mumbai
6. Naidu K.M (1994). Industrialization and Regional Development in India, Reliance Publishing House, New Delhi
7. Reserve Bank of India, Report on Currency and Finance (Annual) Mumbai

ECONOMICS OF DEVELOPMENT AND PLANNING

Paper – VIII (c)

Module – 1 : Development and Economic Growth

Economic growth and development – Factors affecting economic growth-capital, labour and technology; Growth models – Restow’s stages of Economic Growth – Neo-classical growth models – Solow and Meade, Mrs. Joan Robinson’s growth model

Module – 2 : Theories of Economic Development

Theories of development – classical theory of development; Karl Maarx in the theory of development – theory of social change; Immutable laws of capitalist development – crisis in capitalism; Schumpeter and capitalistic development

Module – 3 : Approaches to Economic 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 effort thesis; low income equilibrium trap – dualism; technical, behavioural and social

Module – 4 : Choice and Pattern of Investment

Need for investment criteria in LDCs; Present vrs future growth; alternative investment criteria; Cost-benefit analysis

Module – 5 : Planning and Development

Need for planning – democratic, decentralized and indicative planning – Micro-level planning; Review of Indian plan models

BASIC READING

1. Adelman, P (1961), Theories of Economic Growth and Development, Standford University Press, Standford
2. Behrman, S. and T.N Srinivasan (1995); Handbook of Development Economics, Vol. 1 to 3, Elbesire, Ansterdam
3. Hayami, Y (1997) Development Economics, Oxford University Press, New York
4. Meier, G.M (1995) Leading Issues in Economic Development, 6e, Oxford University Press, New Delhi
5. Myint, Hla (1971) Economic Theory and Underdeveloped countries, Oxford University Press NY
6. Thirwal, A.P (1991) (6th Edition), Growth and Development, Mc Millan, London

ENVIRONMENTAL ECONOMICS

(Paper IX)

Module – 1 : Environment and Ecology

Environment-economy linkage; Environment as a necessity and luxury; Population-environment linkage; Environmental use and environmental disruption as an allocation problem; Market failure for environmental goods; Environment as a public good; The common property problems; Property right approach to environmental problem; Environmental Impact Assessment.

Module – 2 : Economic Development and Population

Development and underdevelopment – perpetuation of underdevelopment; Poverty – absolute and relative; Measuring development and development gap – per capita income, inequality of income and wealth,

Module – 3 : Environment and quality of life

Human development index and other indices of development and quality of life; “Theory of demographic transition; Population, poverty and environment

Module – 4 : Pollution Control

Prevention, control and abatement of pollution Choice of policy instruments in developing countries; Environmental legislation : Forest Conservation Act – 1980; The Water (Prevention and Control of Pollution) Act 1974 as Amended 1988 and Rules 1975

Module – 5 : Evaluation Policy

Valuation of environmental damages/benefits, direct and indirect methods; Pollution Control system and policy in India – Legislation, standards and enforcement; concepts and indicators of sustainable development

BASIC READING

1. Hemple, Lamont C. (1998), Environmental Economics : the Global Challenge, First East West Press Edinburgh
2. Kuik, O.J et al (Eds) (1997) Environment Policy, Pollution Control in the South and North : A Comprehensive Assessment of Approach in India and Netherlands : Indo-Dutch Studies on Development alternatives, Sage Publications, New Delhi
3. Lopez, R.E (1997) Where Development Can Go or Cannot Go, The Role of Poverty- Environmental Linkages, Annual World Bank Conference on Development Economics, World Bank, Washington D.C
4. Maler, K.G (1997), Environment, Poverty in Economic Growth, Annual World Bank Conference on development economics, World Bank, Washington
5. Mehrotra, S. and J.Richard (1998), Development with a Human face; Oxford University Press, New Delhi
6. Mishan E.J (1975) Cost Benefit Analysis, Allen and Unwin, London

QUANTITATIVE TECHNIQUES – II

(Paper – X)

Module – 1 : Central Tendency and Dispersion

Methods of data collection- sampling vs. census, primary and secondary data. Measures of central tendency: mean, median, mode, geometric mean and harmonic mean. Measures of dispersion: range, mean deviation, standard deviation, coefficient of variation, quartile deviation, skewness and kurtosis.

Module – 2 : Probability and distribution

Definitions of probability. Basic theorems of probability: addition and multiplication. Theoretical distribution- binomial, poisson and normal distribution.

Module – 3 : Correlation and Regression

Correlations: Karl Pearson and Rank Correlation. Concept of partial and multiple correlation. Regression analysis: estimation of simple regression line by OLS, interpretation of regression coefficients, concept of coefficient of determination.

Module – 4 : Economic Statistics

Time series analysis: concept and components, determination of trend, seasonal and cyclical indices. Index numbers: concept, price-relative, quantitative relatives, Laspeyres', Paasche's and Fisher Indices. Problems and limitations of index numbers.

Module – 5 : Vital Statistics

Measurement of mortality: Crude Death Rate (CDR), Infant Mortality Rate (IMR), Maternal Mortality Rates (MMR). Measurement of fertility: Crude Birth Rate (CBR). Measurement of population growth: Gross Reproduction Rate (GRR), Crude Rate of Natural Increase, Net Reproduction Rate (NRR).

BASIC READING

1. Allen, R.G.D (1974) Mathematical Analysis for Economists, Mc Millan Press, London.
2. Chiang, A.C (1986), Fundamental Methods of Economics, Mc Graw Hill, New Delhi.
3. Colell, A. Mas et, al. (1991), Microeconomics Theory, Harvard University Press, Cambridge, Mass.
4. Hands, D.W. (1991) Introductory Mathematical Economics, D.C. Health.
5. Henderson, J. and R.E. Quandt (1980), Microeconomic Theory: A Mathematical Approach. Mc Graw Hill, New Delhi.
6. Handy, S.T. (1997), Operations Research Practice Hall of India, New Delhi.

FINANCIAL INSTITUTIONS AND MARKETS

(Paper – XI)

Module – 1 : Financial Institutions in India

Functions and growth of in Indian Financial Institutions; Functions and objectives of central Bank; Instrument of Credit control – quantity and qualitative methods – Bank rate policy, open market operations, VRR and selective methods; role and functions of RBI; Development and regulatory role of RBI; Objectives and limitation of monetary policy; Measures used by the RBI to control inflation.

Module – 2 : Money and Commercial Banking

Functions and kinds of money; components of supply of money; Money market and capital market; Regulated and unregulated credit markets; Features of a development money and capital market; Functions, types and objectives of commercial banks; The process of credit creation; liabilities and assets of banks; mechanism of credit creation by commercial banks; purpose and limitation

Module – 3 : Non-banking Financial Institutions

Structure of cooperative institutions and development banks in India – Their objectives, role and limitations; Definition and types of NBFIs viz., Mutual funds, LIC, Investment Companies, Venture, Capital – growth and importance; Recent measures taken by the RBI to regulate their working

Module – 4 : Financial Markets

The structure of Financial Markets – Call money, Treasury Bills and Commercial Bills; The stock market and market for gilt edged securities; unregulated credit markets; Financial Sector Reforms in India; SEBI and its impact on the working Capital Markets in India.

Module – 5 : Foreign Exchange Markets

Foreign exchange; Foreign exchange rate, Foreign exchange market – concept of spot exchange rates and forward exchange rates; Determination of exchange rates under fixed and flexible exchange rate regime and role of hedging in the determination of exchange rates; Euro – dollar market – its role and significance

BASIC READING

1. Gupta, S.B (1986) Monetary Economics, S.Chand & Co. New Delhi
2. Gupta, S.B (1995) Monetary Economics, Institutions, Theory and Policy. S.Chand & Co. New Delhi
3. Grapple J.O (1992). International Financial Markets – Elsevire, New York
4. Rangarajan, C (1999) Indian Economics; Essays on Money and Finance; UBS Publishers, New Delhi
5. RBI (2000), Report of the Committee on Financial Companies

HISTORY OF ECONOMIC THOUGHT

(Paper – XII (a))

Module – 1 : Early Period

Economic thought of Plato and Aristotle – Doctrines of just cost and just price – Mercantilism: main characteristics; Thomas Mum – Physiocracy: natural order, primacy of agriculture, social classes, Tableau Economique, taxation, Turgot – Economic ideas of Petty, Locke and Hume

Module – 2 : Classical Period

Adam Smith – Division of labour, theory of value, capital accumulation, distribution, views on trade, economic progress; David Ricardo – value, theory of rent, distribution, ideas on economic development and international trade; Thomas R.Malthus – theory of population, theory of gluts.

Module – 3 : Marginalists

The precursors of marginalism – Cournot, Thunen, Gossen – The marginalist revolution; Jevons, Walras and Menger – bohm-Bawark, Wicksell and fisher: the rate of interest – Wicksteed and Weiser; Distribution – Marshall as a great synthesizer; role of time in price determination, economic methods, ideas on consumer's surplus, elasticities, prime and supplementary costs, representative firm, external and internal economies, quasi-rent, organization as factor of production, nature of profits.

Module – 4 : Keynesian Ideas

The aggregate economy, Liquidity Preference Theory and Liquidity trap, Marginal Efficiency of Capital and Marginal Efficiency of Investment, wage rigidities, underemployment equilibrium, role of fiscal policy: deficit spending and public works, multiplier principle, cyclical behavior of the economy, uncertainty and role of expectations, impetus to economic modeling

Module – 5 : Indian Economic Thought

Early economic ideas: Kautilya, Valluvar; Modern economic ideas: Naoroji, Ranade, R.C Dutt and MN.Roy; Economic ideas of Gandhi: Village, Swadeshi, place of machine and labour, cottage industries, trusteeship; Early approaches to planning (The national planning committee); Gadgil co-operation as a way of life and strategy of development; J.K Mehta: Wantlessness.

BASIC READING

1. Blackhouse, R. (1955) a History of Modern Economic analysis, Basil Blackwell, Oxford.
2. Blang M. (1997) Economic Theory in Retrospect (5th Edition) Cambridge University Press, Cambridge
3. Ganguly B.N (1997) : Indian Economic Thought : A 19th Century Perspective, Tata Mc GrAw Hill, New Delhi
4. Guide, C and G. Rist (1965) A History of Economic Doctrines (2nd Edition) George Harrop & Co., London
5. Gray A and AE Thomson (1980) : The Development of Economic Doctrine (2nd Edition) Longman Group,London.
6. Roll E, (1973) A History of Economic Thought, Faber,London .
7. Schumpeter, J.A. (1954) History of Economic Analysis, Oxford Press, New York.

INTERNATIONAL TRADE

(Paper – XII (b))

Module – 1 : Importance of Trade and trade Theories

Importance of the study of international economics; Inter-regional and international trade; Theories of absolute advantage, comparative advantage and opportunity cost; Heckscher-Ohlin theory of trade – its main features, assumptions and limitations

Module – 2 : Gains from Trade

Gains from Trade – Their measurement and distribution; Trade as an engine of economic growth; Concepts of terms of trade and their importance in the theory of trade; Doctrine of reciprocal demand – Its importance and limitations in the theory of trade.

Module – 3 : Tariffs and Quotas

Types of tariffs and quotas : Their impact in partial equilibrium analysis; Free trade and policy of tariffs in relation to economic growth with special reference to India; concept of optimum tariff

Module – 4 : Balance of Trade and Balance of Payments

Concepts and components of balance of trade and balance of payments; Equilibrium and disequilibrium in balance of payments; Consequences of disequilibrium in balance of payments; Various measures to correct deficit in the balance of payment; Relative merits, demerits and limitations of devaluation; Concept and implications of foreign trade multiplier

Module – 5 : Foreign Trade in India

Recent changes in the composition and direction of foreign trade; Causes and effects of persistent deficit in the balance of payments; Measures adopted by the government to correct the deficit before and after 1991; Need for and rationale of trade reforms in India (including partial and full convertibility of rupee).

BASIC READING

- 1 Kennan, P.B (1994) , The International Economy, Cambridge University Press London.
2. Kindleburger, C.P. (1973) International Economics, R.D. Irwin, Home Wood.
3. Krugman, P.R. and M. Obstgeld (1994) International Economics : Theory and policy, Glenview, Foresman.
4. Patel S.J. (1995) ; Indian Economy Towards. The 21st Century, University Press Ltd, India .
5. Salvatore, D.L. (1997) , International Economics, Prentice- Hall, Upper Saddle River, N. J.
6. Sodarsten, Bo (1991) International Economics, Mc Millan Press Ltd. London.

ECONOMETRICS

(Paper – XII (c))

Module – 1 : Introduction to Econometrics and Methodology of Econometric Research

Definition and scope of econometrics. The methodology of econometric research: specification and estimation of an econometric model. Basic concept of estimation: desirable properties of estimators- unbiasedness, efficiency, consistency, sufficiency.

Module – 2 : Theoretical Distribution and Testing of Hypothesis

Theoretical frequency distribution and application of binomial, poisson and normal distribution. Testing of hypothesis: Type-I and Type-II errors, Standard Errors, Level of Significance. Hypothesis testing based on Z, t and Chi-square statistics.

Module – 3 : Simple Regression Analysis

Classical assumptions of regression analysis. Estimation of simple regression coefficients by OLS, properties of OLS estimators, Coefficient of Determination, Adjusted R^2 , decomposition of sum of squares in regression and ANOVA in simple regression equation. Statistical Inference in regression: testing of the significance of regression coefficients.

Module – 4 : Estimation

Concept of estimate and estimator, desirable properties of estimators- unbiasedness, efficiency, consistency and sufficiency, BLUE, MLE.

Module – 5 : Problems in OLS estimation

Problems of multicollineary and auto-correlation- their consequences, tests and remedies.

BASIC READING

1. Greene, W. (1997), Econometric Analysis, Prentice Hall, New York
2. Gujarati, D (1995), Basic Econometrics, Mc Grow Hill, New Delhi
3. Johnston J. and J.D Nardo (1997) Econometric Methods, Mc Grow Hill New York
4. Kmenta, J (1977), Theory of Econometrics Michigan Press, New York
5. Koutsoyanis, A (1977), Theory of Econometrics, (2nd edition) The Mc Millan Press Ltd.
6. Modalla, G.S (1993) Econometrics – An Introduction, Mc Grow Hill New York

ADDITIONAL

5th Semester: Mathematical Economics-I (Optional)

Module 1 : Basic Quantitative Methods

Concept of variable, constants and parameters. Functional relationship and graph. Elementary ideas of differential and integral calculus.

Module 2 : Matrices

Matrix and determinants, matrix inversion by co-factor and Gauss elimination methods. Solution of a system of simultaneous equations by matrix inversion and Cramer's rule. Solution of quadratic equations.

Module 3 : Consumer Theory

Utility function, budget line, constrained optimization, consumer's equilibrium, income effect, substitution effects, Slutsky equation, derivation of demand curve, elasticity of demand, consumer's surplus.

Module 4 : Market Structure/Pricing

Concept of equilibrium, equilibrium of firms under perfect competition and monopoly. Price discrimination. Determination of equilibrium output and prices under Cournot and Stakelberg Model. The basic Cobweb model.

Module 5 : Theory of Production

Properties of production function- homogeneous and non-homogeneous; Cobb-Douglas, CES, Returns to scale, Euler's theorem, choice of optimal combination of factors of production.

5th Semester: Mathematical Economics-II (Optional)

Module 1: Cost and Revenue Analysis

Derivation cost curves; relations between total, average, elasticity of demand and revenue; producer's surplus, production possibility curve, Adding up theorem.

Module 2 : Input-Output Analysis

Input-output analysis: assumptions, technological coefficient matrix, closed and open model. Hawkins-Simon conditions. Determination of equilibrium output and prices. Dynamic Input-Output model.

Module 3 : Linear Programming

Concept and formulation of Linear Programming Problems, graphical and simplex methods of solving LP problems. Theorem of duality- concept of primal and dual, transformation of primal into dual.

Module 4 : Introductory Game Theory

Introduction and concepts: two-person-zero-sum game, pure and mixed strategies, saddle point solution, dominance.

Module 5 : Dynamic Economic models

Difference and differential equations- concepts, solution of first order equations. Growth models- Solow and Harrod. Derivation of time path under Cobweb model.

DEMOGRAPHY

Module – 1 : Introduction

Population study and demography: Its relation with other disciplines; Theories of Population Malthus, Optimum theory of population, and theory of demographic transition.

Module – 2 : Sources of Demographic Data in India

Sources of Demographic data in India: Census-Civil registration system and demographic surveys; National Family Health Survey 1 and 2 – their relative merits and demerits.

Module – 3 : Techniques of Analysis

Crude birth and death rates, age specific birth and death rates, standardized birth and death rates – Study of Fertility: Total fertility rate, gross reproduction rate, and net reproduction rate.

Module – 4 : Population Projection

Techniques of population projection – concept of stationary, stable and quasi-stationary population – aging of population in India – Changes in family structure and old age security.

Module – 5 : Population Policy

Salient features of Population Censuses of 1971, 1981, 1991 and 2001: Evolution of population policy in India, Shift in policy focus from population control to family welfare and to women empowerment

BASIC READING

1. Agarwala S.N (1985), India's Population Problem, Tata McGraw Hill, Bombay.
2. Agarwal U.D (1999) Population Projection and Their Accuracy, B.R. Publishing Corporation N.D.
3. Blende, A.A ;and T.R. Kanitkar (1982) Principles of Population Studies, Himalaya Publishing House, Mumbai.
4. Bogul, D.J. (1971) Principles of Demography; John Wiley, New York.
5. Bose, A. (1996) India's Basic Demographic Statistics, B.R. Publishing Corporation, New Delhi.
6. Choubey, R.K. (2000) Population Policy in India, Kanishka Publications, New Delhi.
7. Srinivasan, K. (1998), Basic Demographic Techniques and Applications, Sage Publications , New Delhi.

COMPUTER AND ITS APPLICATIONS

Module – 1 : Basic of Computers

Computer fundamentals; Organization and components of a computer; computer hardware CPU; Memory; Disk drives; Input and output devices; Keyboard; Mouse and VDU, Computer peripherals like printer, scanner, digitizer, etc. Computer software – Operating system, application software and packages.

Module – 2 : Use of Computer for Office Automation

Text editors and word processor software packages; Operative familiarization with any one package like MS-Word; Concept and use of spread sheet; Operation and use of MS-Excel; Basics of Database; Table; records and fields; Data entry and query processing; Operative principles of MS-Access; Document formation and presentation through MS-Power point.

Module – 3 : Data Analysis and Trend Forecasting

Basics of statistical functions and analysis – Mean, median, mode, standard deviation; Distribution function and density function; Statistical package handling and command description for SPSS: Regression and auto-regression; Correlation and auto-correlation; Covariance and Auto covariance

Module – 4 : Applications

Text and mail communication using computers; E-mail; Chat; Coice mail; Document transfer and delivery; Internet; World Wide Web (WWW) and use for business and commercial activities like e-business and e-commerce; Electronic stock market and exchanges; B2B and B2C Concepts.

Module – 5 : IT Application to finance

On line banking; ATM's Electronic Stock Exchange; Electronic trading; Data shearing and decimation; Electronic transaction; Document delivery; Authentication and validation transaction processing.

BASIC READING

1. Kerns (1993), Essentials of Microsoft Windows Word and Excell; Prentice Hall of India, New Delhi.
2. Rajaraman, V. (1996) Fundamentals of Computers, Prentice Hall (India) New Delhi.
3. Schied, F. (1983), Theory and Problems of Computers and Programming, Schaum's Outline Series, McGraw- Hill, New Delhi.
4. Intrilligator, M.D. (1978), Econometric Models Techniques and Application, Prentice Hall, Englewood cliffs, N.J.