

***MIECO01-CT-01***

**M.A. ECONOMICS 2017-18**

**SEMESTER I**

**CORE PAPER- I**

**MICRO ECONOMICS**

**Objective:** This core paper forms the basic theoretical foundation of the Micro Economics. The concepts, theories and diagrammatical representations are the most important theoretical tools that aid the student to understand and grasp the subject.

**UNIT I**

**Theory of Consumer Behaviour -I**

Utility analysis – Cardinal Approach - Law of Demand , Elasticity of Demand, Ordinal Approach- Indifference Curve Approach, Derivation of Demand Curve, Consumer's Equilibrium, Price, Income and Substitution Effect: Normal, Inferior and Giffen Goods, Consumers' Surplus.

**UNIT II**

**Theory of Consumer Behaviour-II**

Compensated demand curve, Recent Developments in the Theory of Demand – Constant Elasticity of Demand Function, Linear Expenditure System, Lancaster's Theory, Revealed Preference Theory, Consumer Behaviour under Uncertainty & Risk- N-M Theorem, Individual Consumer behavior towards Risk, Asset Portfolio Selection.

**UNIT III**

**Theory of Production**

Production function – Short Run: Law of Variable Proportions and Long Run: Returns to Scale, Economies and Diseconomies of Scale, Isoquants-Least Cost Combinations of Inputs, Elasticity of Technical Substitution, Technical Progress and Production Function.

**UNIT IV**

**Theory of Product Pricing-I**

Cost Concepts, Cost Curves- Short Run & Long Run Curves, L-Shaped Long Run Cost Curves, Concept of Revenue, Revenue Curves-TR, AR, MR and their Relationship, Break-Even Analysis.

Theory of Supply- Law of Supply and Elasticity of Supply.

## UNIT- V

### Theory of Product Pricing II.

Price and Output Determination under Perfect Competition- Short run & long Run Analysis  
Price & output Determination under Monopoly- Short run & long Run Analysis, Price  
Discrimination under Monopoly, Regulation and Control.

Monopolistic Competition- General and Chamberlin Approach to Equilibrium, Selling Costs,  
Excess Capacity.

#### Reading List:

- Ahuja, H.L. (Latest Addition), Advanced Economic Theory, Sultan Chand and Company, New Delhi (Hindi and English Versions).
- Misra and Puri .(Latest Addition), Advanced Economic Theory, Himalaya Publishing Company, Bombay (Hindi and English Versions).
- Barla, C.S. .(Latest Addition), Advanced Micro Economics, National Publishing House, Jaipur, New Delhi (Hindi and English Versions).
- Jhingan, M.L. (Latest Addition), Advance Economic Theory, Vrinda Publication, New Delhi (Hindi and English Versions).
- Koutsoyiannis, A. (1979), Modern Microeconomics, (2nd Edition), Macmillan Press, London.
- Kreps, David M. (1990), A Course in Microeconomic Theory, Princeton University Press, Princeton
- Mankiw, G. (2010), Principles of Microeconomics, 6<sup>th</sup> ed., South-Western College Publication, USA.
- Salvatore D. (2006), Microeconomics-Theory and Applications, Oxford University Press
- Salvatore D, (2002) Theory and Problems of Microeconomic Theory, Schaum's Outline Series, McGraw-Hill Book Company, Singapore.
- Varian, H. (2000), Microeconomic Analysis, W.W. Norton, New York.
- Varian, H. (2003), Intermediate Microeconomics, East-West Press. Additional
- Karl E. Case and Ray C. Fair, (2007), Principles of Economics, 8th Ed., Pearson Education Inc.

**Paper Code: MIECO02-CT-02**

**M.A. ECONOMICS 2017-18**

**SEMESTER – I**

**CORE PAPER – II**

**MACRO ECONOMICS**

**Objectives:** Macroeconomics deals with the movement, fluctuations and growth in economic aggregates like income, employment interest rates and the price level. It attempts to explain the past behaviour of such variables, predicts the likely future events, and helps policy makers to formulate the appropriate policies for improving the economic welfare of a country. The basic objective of this course is to help the learners in proper understanding of the economic aggregates.

**UNIT – I**

National Income – Concepts, Measurement and problem in measurement of National Income. Circular flow of Income in two, three and four sector Economy, Different forms of National Income Accounting – Social Accounting, Green Accounting.

**UNIT II**

Classical and keynesian theory of income and employment. Introduction to AS-AD model. Derivation of AD-AS curve (with varying price level), Shift in AD and AS curve, Short run and long run AD and AS curve. Classical and Keynesian view on AS-AD model.

Macro Equilibrium with AS-AD model (short run and long run)

**UNIT – III**

Consumption Function- Meaning, Keynes' Psychological Law of Consumption. Theories of consumption- Absolute Income, Relative Income, Life Cycle and Permanent Income Hypothesis.

Investment – Meaning, types of investment, Marginal Efficiency of Investment, Marginal Efficiency of Capital. Theories of Investment- The Accelerator theory of Investment, Duesenberry Financial theory of Investment, Jorgenson Neo-Classical theory of Investment.

**UNIT – IV**

Main features of the New Classical Macroeconomics: Efficient market hypothesis; Rational

Expectation Model- Anticipated and Unanticipated shocks, Policy irrelevance; Basic Proposition of Supply side economics. New Keynesian models of price stickiness: The Mankiw model.

### UNIT – V

Inflation – Classical, Keynesian and Monetarist approaches to inflation, Structuralist theory of inflation; Philips curve analysis - Short run and long run Philips curve; Tobin's modified Philips curve. Samuelson and Solow - the natural rate of unemployment hypothesis.

Policies to control inflation.

#### **Reading List:**

- Ackley, G. (1978) – Macroeconomics: Theory and Policy, McMillan, New York.
- Branson, W.A. (1989) Macroeconomic Theory and Policy, (3<sup>rd</sup> Edition) Harper and Row, New Delhi.
- Dornbusch, Fischer, Startz-Macroeconomics, The McGraw Hill Company Ltd., New York.
- H.L. Ahuja –Advanced Macro Economic Theory, S Chand and Co. New Delhi
- Shapiro, E. (1996) – Macroeconomic Analysis, Galgotia Publications, New Delhi.
- Keynes, J. M. (1936) – The General Theory of Employment, Interest and Money, Macmillan, London.
- M.L. Jhingan- Macro Economic Theory, Vrinda publication, New Delhi
- Romar, D. L. (1996) – Advanced Macroeconomics, McGraw Hill Company Ltd., New York.
- Patinkin, D. (1965) – Money, Interest and Prices. Haper and Row, New York.
- Culbertson, J. M. (1968) – Macroeconomic Theory and Stabilization Policy, McGraw Hill, Kogenkoshi, Tokyo.
- Friedman, M. (1957) – The Theory of Consumption Function, Princeton University Press, Princeton.
- Duesenberry, J. S. (1949) – Income saving and the Theory of Consumer Behaviour, Harvard University Press, Harvard.
- Hicks, J. R. (1950) – A contribution to the Theory of Trade Cycles, Clarendon Press, Oxford.
- Hicks, J. R. (1974) – The Crisis in Keynesian Economics, Oxford University Press, New Delhi.

- Frisch, H. (1983) – Theories of inflation, Cambridge University Press, Cambridge.
- Turnovsky, S. J. (1977) – Macroeconomic Analysis and Stabilization Policy, Cambridge University Press, Cambridge.
- Mithani, D.M. – Macroeconomics, Himalaya Publishing Company, New Delhi.
- Mankiew.G. – Macroeconomics, Worth publishers, Newyork.
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**M A ECONOMICS 2017-2018**

**SEMESTER I**

**CORE PAPER-III**

**PUBLIC ECONOMICS**

**Objective:** The course intends to provide basic information to students on the scope of Public Economics, significance of government and its functions, governmental finance and its economic Impacts on development.

**UNIT I**

Meaning and Scope-Classical, Keynesian and modern approach on Public economics, Public Finance and Private finance-Similarities and Dissimilarities, Major Fiscal Functions, Concept of Social Goods, Merit good, Club good.

**UNIT II**

Public Expenditure-Reasons for increase in Public Expenditure, Pattern of Public Expenditure, Pure Theories of Public Expenditure-British Classical Views, Lindahl, Pigou and Samuelson's Principles, General Theories-Wagner's Hypothesis, Peacock-wiseman's Hypothesis, Economic effects of Public Expenditure.

**UNIT III**

Public revenue-Tax and Non-Tax Revenue, Taxation-Objectives, Tax Ratio, Tax Elasticity, Theories of Taxation-Benefit Theory, Ability to Pay Theory, Principle of Maximum Social Advantage, Objectives of Taxation for Developing Countries, Role of Taxes in Economic Development

**UNIT IV**

Public Debt-Classical, Keynesian and Post-Keynesian Approaches, Importance and Problems of Public Debt, Economic Effects of Public Debt, Methods of Debt Redemption, Burden of Public Debt, Management of Public Debt, Deficit Financing

**UNIT V**

Fiscal Policy- Concept and Objectives, Theories-Automatic and Discretionary Fiscal Policies, Fiscal Policy and Economic Development, Budget- Classification and Principles, Types of Budgets, Budgetary Deficits.

**Reading List:**

- Hindrick, Jean and Gareth D Myles (2006): Intermediate Public Economics, Prentice Hall of India
- Singh, S. K (2010): Public finance-Theory and Practice, 6th ed, S Chand, New Delhi.
- Andley and Sundaram (2006): Public Economics and Public Finance, Ratan Prakash, Agra.
- Kennedy, Maria John (2012): Public Finance, Prentice Hall of India.
- Hajela, T N(2010): Public Finance, 3rd ed, Ann's Books, New Delhi
- Agarwal, R.C (2007): Public Finance Theory and Practice, Leksmi Narayan Agarwal, Agra,India.
- Mithani, D M(1998): Modern Public Finance, 1st ed, Himalaya Publishing House, New Delhi.
- Lekhi, R K (2003): Public Finance, Kalyani Publications, New Delhi.

**M.A. ECONOMICS 2017-18**  
**SEMESTER I**  
**CORE PAPER- IV**  
**MATHEMATICAL METHODS FOR ECONOMICS**

**Objective :** The main objective of this paper is to train the students to use the techniques of mathematical analysis. In this course, particular economic models are not the ends, but the means for illustrating the method of applying mathematical techniques to economic theory in general. Classroom instruction should stress the understanding and skill in the application of mathematical theorems and techniques, rather than the mastering of any particular set of economic applications.

**UNIT I**

**Matrix and Determinant**

Matrix – Concept of Matrix and their types, Simple operations on Matrices, Inverse of Matrices.

Determinants and their Properties, Solution of Simultaneous Equations through Cramer's Rule and Inverse Matrix Method.

**UNIT II**

**Differential Technique**

Simple Differentiation – Process of Differentiation, Rules of Differentiation, Partial and Total Differential

**UNIT III**

**Integration Technique**

Integration – Simple Rules of Integration, Integration by parts, Integration by substitution, Integration by Partial Fraction and Definite Integration.

**UNIT IV**

**Application of Differential and Integration**

Problems of maxima and minima in single and multivariable functions; Unconstrained and constrained optimization

Application to Cost and Revenue Functions and Consumer's Surplus.



## UNIT V

### Differential and Difference Equations

Differential Equations- Introduction, non-linear and linear differential equations of the first order and first degree. Solutions of differential equations when variables are separable, homogenous equations and non-homogenous equations,

Difference equations – Solution of first order and second order difference equations.

### Reading List:

- Allen, R.G.D. (1974) – Mathematical Analysis for Economists, Macmillan Press and ELBS, London.
- Black, J. and J.F. Bradley (1973), Essential Mathematics for Economists, John Wiley and Sons.
- Chiang, A.C. (1986), Fundamental Methods of Mathematical Economics (3<sup>rd</sup> Edition), McGraw Hill, New Delhi.
- Handry, A. T. (1999) – Operations Research, Prentice Hall of India, New Delhi.
- Madnani, G.M.K.- Arthshastra Me Ganit Ke Prayog .(Hindi Version)
- Mehta, B.C. and Madnani, G.M.K. (2008) – Mathematics for Economists, Sultan Chand and Company, New Delhi.
- Nathuramka L.N. (2016), Arthshastra Me Ganit Ke Prayog, College Book House, Jaipur.(Hindi Version)
- Veerachamy.R (2002), Quantitative Methods for Economists, New Age International Publisher, New Delhi.
- Yamane, Taro (1975), Mathematics for Economists, Prentice Hall of India, New Delhi.

**M.A. ECONOMICS 2017-18**  
**SEMESTER- I**  
**CORE PAPER- V**  
**GROWTH AND DEVELOPMENT ECONOMICS**

**Objective:** This paper aims at making students to understand the theories of growth and development, social and institutional aspects of development, infrastructure-linkages, importance of domestic macroeconomic policies importance of agriculture and the rationale and pattern of industrialization in developing countries.

**UNIT 1**

**Introduction**

Concepts of Growth and Development. Measurement and Determinants of Development, Indicators of Development – Basic Needs Approach, GDP, PCI, PQLI, HDI, Gender Empowerment Measure (GEM), Gender Inequality Index, Human Poverty Index. Rise in International inequalities.. Structural Diversity and common characteristics of Developing and Developed Nations. Sustainable Development.

**UNIT II**

**Issues in Economic Growth and Development**

Factors of Economic Growth and Development, Obstacles to Growth and Development, Vicious Circle of Poverty, Features of Modern Economic growth, Modern Growth and the rise in International Inequalities- The inverted U-hypothesis, Structural Changes under Development, Economic Growth and Social Justice.

**UNIT III**

**Theories of Growth and Development II**

Theories of Development -Malthus, Karl Marx & Schumpeter, Rostow's Stages of Economic Growth, Harvey Leibenstein's Critical Minimum Effort Thesis, Nelson's Theory of Low Level Equilibrium Trap.

**UNIT IV**

**Theories of Growth and Development II**

Growth Balanced and Unbalanced Growth- Nurkse Model, Rosenstein Rodan's Big Push Theory, Hirschman's Strategy, Lewis and Fei-Ranis Models, Theories of Dualism- Social, Technological, International and Financial. Myrdal's Theory of Circular Causation.

## UNIT V

### **Domestic and International Measures for Economic Development**

Capital formation and Economic Development, Role of Agriculture and Industry in Economic Development, Terms of Trade between Agriculture and Industry.

Role of Monetary and Fiscal Policy in Economic Development. Prices, Inflation and Economic Development. Foreign Trade and Economic Development.

### **Reading List:**

- Behrman, S. and T.N. Srinivasan (1995). Handbook of Development Economics, Vol. 3, Elsevier, Amsterdam.
- Ghatak, S. (1986). An introduction to Development Economic, Allen & Unwin, London.
- Jhingan, M.L. (2016) – Economics of Growth and Development, Vrinda Publication. (English & Hindi Version)
- Kapila, Uma, Ed. (1980). Indian Economy Since Independence, Vol.1, Academic Foundation, Delhi.
- Little, I. M. D. & J. E. Mirrlees (1974). Project Appraisal and Planning for Developing Countries, Basic Books, New York.
- Meier, G.M. and James E. R. (2006). Leading Issues in Economic Development, Oxford University Press, New York.
- Puri, V.K. and S.K. Misra (2016). Economics of Development and Planning, Himalaya Publishing House, New Delhi.
- Singh, S.P.(2001). Economic Growth and Planning, Himalaya Publishing House, New Delhi.
- Ray, Debraj-(2004). Development Economics, Oxford University Press, New Delhi
- Taneja, M. L. and R. M. Myer (2008). Economics of Development and Planning, Vishal Publishing Company, Jalandhar.
- Thirwall, A.P.(1999). Growth and Development with special reference to developing economics, Macmillan and ELBS, London.
- Todaro, M. P. (1996) (6<sup>th</sup> edition). Economic Development, Longman, London.

- Wadhwa, C.D., Ed., (1988). Some Problems of India's Economic Policy, 2nd Ed., Tata McGraw-Hill, New Delhi.

**M A ECONOMICS 2017-2018**  
**SEMESTER I**  
**CORE PAPER-VI**  
**HISTORY OF ECONOMIC THOUGHT**

**Objective:** The objective of this course is to make students aware of the economic history and to provide a historical perspective on the evolution and process of transformation of economic thought.

**UNIT-I**

History of Economic Thought-Subject Matter and Importance, Ancient Economic Thought, Medieval Economic Thought, Mercantilism and Physiocracy

**UNIT-II**

Classical Economic Thought-Development and Characteristics, Adam Smith, Thomas Robert Malthus, David Ricardo

**UNIT-III**

Socialist Economic Thought- Robert Owen, Charles Fourier, Pierre Joseph Proudhon, Johan Karl Rodbertus, Karl Marx

**UNIT IV**

Neo-Classical Thought- Alfred Marshall, John Maynard Keynes, Some Modern Economists- Schumpeter, Leonal Robbins, J R Hicks.

**UNIT –V**

Indian Economic Thought-Kautilya, Raja Rammohan Rai, Mahatma Gandhi, B R Ambedkar, Jawaharlal Nehru, J K Mehta.

**Reading list:**

- L.H. Haney, History of Economic Thought
- Eric Roll, A History of Economic Thought
- Gide & Rist, A History of Economic Doctrines
- J.F.Bell, A History of Economic Thought
- M.C.Vaish, Aarthik Vicharon Ka Itihas,2002,S.Chand & Co., New Delhi
- J.C.Pant & M.L.seth, Aarthik Vicharon Ka Itihas,2015,Laxmi Narain Agarwal, Agra
- Bell John Fred (1963), History of Economic Thought, the Ronald Press Company, New York

- Bhatia, H.L (1980), History of Economic Thought, Vikas publishing house Pvt. Ltd. India.
- Schumpeter, J.A. (1954), History of Economic Analysis, Oxford University Press, New York.
- Seshadri, G.B. (1997), Economic Doctrines, B.R. Publishing Corporation, Delhi.