

M2ECO01-CT-07

M.A. ECONOMICS

SEMESTER II

CORE PAPER- I

ADVANCED MICRO ECONOMICS

Objective: This core paper forms the theoretical foundation of the Advanced Micro Economics. This paper will enhance the understanding of students about Pricing in imperfect market conditions and concepts of welfare 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

Market Behaviour I

Oligopoly-Non collusive Solutions: Cournot Model, Bertrand Model, Paul Sweezy's Kinked Demand Curve Model and Stakelberg Model; Collusive Solutions: Cartel and Price Leadership Model.

Pricing of Public Utility Services-Marginal Cost pricing Rule, No Profit –No Loss Policy, Profit-Price Policy

Unit II

Market Behaviour II

Full Cost Pricing Theory, Baumol's Sales Maximisation Model, Williamson's Model of Managerial Discretion, Marris Model of Managerial Enterprise, Bain's Limit Pricing Theory.

Unit III

Theory of Distribution

Marginal Productivity Theory, Theory of Product Exhaustion.

Wages-Determination of Wages in Competitive Market (Modern Theory), Monopsony in Labour Market.

Rent- Ricardian Theory, Modern Theory, Quasi Rent.

Interest- Classical Theory, Keynesian Theory, Loanable Fund Theory and Modern Theory.

Profit- Dynamic Theory, Innovation Theory, Risk Theory, Uncertainty-Bearing Theory, , Shackle's Theory and Modern Theory.

Unit IV

General Equilibrium and Welfare Economics

Partial and General Equilibrium, Walrasian Approach to General Equilibrium.

Welfare Economics- Pigouvian Welfare Economics, Pareto Optimal Conditions, Kaldor Hicks Compensation Criterion. Bergson's Social Welfare function, Point of Bliss, Theory of Second Best, Arrow's Impossibility Theorem, Rawls Theory of Justice, Equity- Efficiency Trade off.

Unit-V

Theories of Insurance, Search and Asymmetric Information

Insurance – Risk Aversion theories, The Insurance Market and Adverse Selection. Moral Hazard and Allocate Inefficiency, Choice between Insurance and Gambling.

Theories of Search, Information Problem and Markets with Asymmetric Information: Problems of Lemons- Asymmetric Information and the Market Failure –The adverse selection, Market Signaling. Behavioural Economics- A new branch of Economics.

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, D. M. (1990), A Course in Microeconomic Theory, Princeton University Press, Princeton
- Mankiw, G. (2010), Principles of Microeconomics, 6th 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: M2ECO02-CT-08

M.A. ECONOMICS 2017-18
SEMESTER – II
CORE PAPER – II
ADVANCED MACRO ECONOMICS

Objectives-The present course is designed to acquaint the students with the monetary economics. It covers different approaches and theories of demand and supply of money as well as interest rates. It also covers the various theories of business cycles. The operation of financial markets and their regulation are to be studied to appreciate their key role in an economy, especially after the far-reaching financial sector reforms in India.

UNIT – I

Supply of Money: Measures and Determinants of money supply, High Powered Money and Money Multiplier. Monetary policy – Meaning, Objectives, Targets and Instrument. Latest Monetary policy. Measures to Control of Money Supply.

UNIT – II

Quantity Theory of Money – Fisher's equation and Cambridge approach, Keynesian Restatement Quantity Theory of Money, Its superiority over Traditional Theory and its criticism.

Post Keynesian approaches to Demand for Money – Patinkin Real Balance Effect, Approaches of Baumol and Tobin, Friedman Modern Quantity Theory,

UNIT – III

Neo-classical, Keynesian and Modern view of Interest, The IS-LM model – Derivation of LM curve and IS curve, Dynamic Disequilibrium: Explaining Fluctuations with the IS – LM Model; Extension of IS-LM model with government sectors, Relative Effectiveness of Monetary and fiscal policies.

UNIT – IV

Business Cycle Theories – Schumpeter, Kaldor, Samuelson, Goodwin and Hick's Theories, Real Business cycle theory. Measures to Control of Business Cycles.

UNIT V

Financial System in India – Structure and functions of financial markets; Money market and its constituents-Call money market, Treasury bill market, Commercial bill market, Repo

market; Capital market- Government securities market; Corporate security market; Primary and secondary market for securities; SEBI-Objectives, functions and its performance in the working of capital market in India.

Financial Sector Reforms in India.

Reading List

- Melvin : International Money and Finance
- Ackley, G. (1978) – Macroeconomics: Theory and Policy, McMillan, New York.
- Chandeller, L.V. and Goldfeld, S. H. : The Economics of Money and Banking
- G. Crowther : An Outline of Money
- Gurley and Shaw : Money in a Theory of Finance
- H.L. Ahuja –Advanced Macro Economic Theory, S Chand and Co. New Delhi.
- Sayers, R.S. : Modern Banking
- Gupta, S.B. : Monetary Economics: Institutions, Theory and Policy
- Gupta, S.B. : Monetary Planning for India
- M.L. Jhingan- Macro Economic Theory, Vrinda publication, New Delhi.
- Mitthani, D.M. – Money and Banking, Himalaya Publishing Company, New Delhi.
- Patinkin, D. (1965) – Money, Interest and Prices, Harper and Row, New York.
- Tarapore S.S. : Issues in Financial Sector Reforms
- Stoneir and Shapiro : Money and Banking
- Sethi, T.T. – Monetary Economics, Laxmi Narayan Agarwal, Agra.
- Sethi, M. L. – Money and Banking, Lakshmi Narayan Agrawal, Agra.
- Ojha, B.L. – Money Banking and Public Finance, Ramesh Book Depo., Jaipur.
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M2ECO03-CT-09

M A ECONOMICS 2017-2018

SEMESTER II

CORE PAPER-III

INDIAN PUBLIC FINANCE

Objective: The aim of this course is to provide in depth knowledge of financial functioning of the government of India especially about Federal relations, budgeting and income and expenditure.

UNIT – I

Indian Federal Finance-Brief History, Constitutional Provisions ,Centre-State Financial Relations, Financial Imbalances, Finance Commissions and their functions, Detailed study of latest Finance commissions and its recommendations. Issues Between centre-State Financial Relations.

UNIT – II

Public Expenditure in India- Development and Non-Development, Plan and Non-Plan Expenditure, Major heads of Expenditure of Government of India. Trends and Issues of Expenditure of Centre and State, Reasons for increase in Public Expenditure,

UNIT – III

Indian Tax System-Major trends in Tax Revenue, Tax-GDP Ratio, Structural Changes in Tax Revenue, Structural Changes in Direct and Indirect Taxes, Elasticity of Tax Revenue, Burden of Indian Taxes, Problems of Taxation in India, Major Tax Reforms, GST and Its Implications,

UNIT-IV

Public Debt in India- Reasons and Trends for Increase in Internal and External Debt of Centre Government, Burden of Public Debt in India, Public Debt of State Governments, Public Debt and Development Finance in India, Is India in Debt Trap?

UNIT – V

Fiscal Policy In India-Objectives, Evaluation of Effectiveness of Fiscal Policy in India, Challenges of Maintaining Fiscal Deficit, Recent Tax Reform Measures, Deficit Financing In India, Detailed Study of Latest Budget of Government of India.

Reading List:

- J.R.Gupta, Public Economics in India, 3rd Edition, 2017, Atlantic Publication, New Delhi
- Bhatia, H. L. (Latest) – Public Finance: Theory and Practice, Vikas Publication House, New Delhi
- Stiglitz, J. E. (1986) – Economic of Public Sector, Norton, New York.
- Mundle, S. (1999) – Public Finance Policy: Issues for India, Oxford University Press, New Delhi.
- Andley, K.K. and K.P.M. Sundharam – Public Finance: Theory and Practice, S. Chand and Company, New Delhi
- Bhargava, P. K. (1991) – India's Fiscal Crisis, Ashish Publishing House, New Delhi.
- Reports of Various Finance Commissions
- Government of India Budget (Latest)
- Government of India Long term Fiscal Policy
- Economic Survey, Government of India.

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M.A.ECONOMICS 2017-18

SEMESTER – II

CORE PAPER – IV

ELEMENTARY STATISTICS AND ECONOMETRICS

Objectives: This paper of Statistical Methods is taught to the students at Master's level with the basic aim of imparting knowledge of various Statistical Methods (techniques) and basic econometrics methods to them. Specially those tools are taken in detail which are frequently used in social sciences research such as estimation, hypothesis testing, Regression & correlation, use of probability, concept and use of ordinary least square methods which is essential in the world of uncertainty.

UNIT-I

Central Tendency and Dispersion: Measures of central tendency: Mean, Median, Mode. Measures of dispersion: Range, Mean Deviation, Standard deviation, coefficient of variation. Skewness and Kurtosis.

Correlation and Regression: Correlation; Simple, Coefficient of correlation – Karl Pearson and Rank Correlation,

Regression analysis – Estimation of regression line in a bivariate distribution – Least squares method, interpretation of regression coefficients.

UNIT- II

Time series analysis: Concepts and components, Determination of Regular Trend and Seasonal Indices.

Index numbers – Concept, Price relative, Quantity relative and Value relative, Index Methods – Laspeyres's, Pasche's and Fisher, Family budget method, Problems in the construction and limitations of Index Numbers, Test for ideal Index Number.

UNIT-III

Probability Theory and Distribution: Elementary Probability Theory, addition and multiplication theorems, Bay's theorem, Random variables, Mathematical Expectation. Probability distribution: Binomial, Poisson and Normal.

UNIT-IV

Basic Econometrics- Nature, Meaning and Scope of Econometrics, Goals of Econometrics, Methodology of Econometric Research. The Simple Linear Regression Model -Ordinary Least-Squares Method, Assumptions and Properties of OLS Estimations(without derivation), Gauss Markov's Theorem, Numerical Application of Regression Analysis. Concept of R^2 , Statistical Tests of Significance of the OLS Estimates – T test and their Numerical Application in OLS estimation.

UNIT-V

Problems in Regression Analysis- Autocorrelation, Multicollinearity, Heteroscedasticity – Nature and Causes.

Meaning and uses of Dummy variables; Reasons and role of Lags in Economics; Difference between Autoregressive and Distributed Lag Model.

Simultaneous equation models- Nature and meaning.

Reading List:

- Allen, R.G.D. : Mathematical Analysis for Economists.
- Black, J. and J.F. Bradley : Essential Mathematics for Economists.
- Chiang, A.C. : Fundamental Methods of Mathematical Economics.
- Croxton, F.E., D.J. Cowden and : Applied General Statistics.
- Gupta, S.P. – Statistical Methods.
- Nagar, A.L. and Das, R.K. (1993) – Basic Statistics, Oxford University Press, New Delhi.
- Gupta, S.C. – Fundamentals of Applied Statistics, Sultan Chand and Sons, New Delhi
- Rao, N.S., Suthar, S.P., Gupta, S.L. (2008) – Business Statistics, Arvind Prakashan, Udaipur.
- Mehta and Madnani – Elementary Mathematics in Economics, Educational Publisher, Agra.
- Gupta, S.C. and V.K. Kapoor : Fundamentals of Applied Statistics.
- Spiegel, M.R. : Theory and Problems of Statistics.
- Agarwal, D.R. : Quantitative Methods (Mathematics and Statistics)
- Gujrati, D. (1995), Basic Econometrics, (3rd Edition), McGraw Hill, New Delhi.
- Johnston, J. and J.D. Nardo (1997), Econometric Methods, McGraw Hill, New York.

- Mmenta, J. (1997), Elements of Econometrics, Michigan Press, New York.
- Koutsoyiannis, A. (1977), Theory of Econometrics, (2nd Edition), The Macmillan Press
Ltd., Hampshire.
- Maddala, G.S. (1993), Econometrics – An Introduction, McGraw Hill, New York

M.A. ECONOMICS 2017-18
SEMESTER- II
CORE PAPER- V
ECONOMICS OF DEVELOPMENT AND PLANNING

Objective: The Student will be able to understand the models of Economic Development and their application for underdeveloped or developing economies. This paper aims at making students to understand important issues in the context of development such as, role of Population, International Trade, importance of domestic macroeconomic policies, investment criteria, and theory of economic planning. The project evaluation techniques will enable them to evaluate the profitability of projects

UNIT I

Population, Human Capital formation and Economic Development

Population and Economic Development - Theory of Demographic Transition, Population as Limit to Growth and as Ultimate Source.

Human Capital Formation – Meaning, Need and Objectives. Measures, Problems and Limitations of Human Capital Formation. Criteria of Human Capital Formation.

UNIT II

Models of Economic Development I

Harrod and Domar Growth Models, Neo Classical Growth Models – Solow and Meade, Mrs. Joan Robinson's Growth Model- Golden Rule of Accumulation, Kaldor Model of Distribution.

UNIT III

Models of Economic Development II

Models of Technical Change: Neutral and Non-Neutral (Hicks and Harrod), Romer's Endogenous Growth Model. Jorgensons Model of Dual Economy. Uzawa Two Sector Model of Growth. Harris-Todaro Model of Rural-Urban Migration.

UNIT IV

Economic Planning

Economic Planning – Meaning, Objective and Principles. Planned Vs. Unplanned Economy. Plan Models- Meaning and Types. Control under Planning – Meaning, Need, Types and Limitations. Role of State in Economic Development.

UNIT V

Techniques and Problems of Economic Planning

Planning Techniques- Input-Output Analysis, Linear Programming and Capital-Output Ratio (Only Concept). Shadow Prices, Criterion of Project Evaluation, Investment Criterion.

Choice of techniques- Labour Intensive Vs. Capital Intensive Technique.

Resource mobilization for planning : Domestic resources and External resources- Foreign borrowings Vs. foreign direct investment.

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) (6th edition). Economic Development, Longman, London.
- Wadhwa, C.D., Ed., (1988). Some Problems of India's Economic Policy, 2nd Ed., Tata McGraw-Hill, New Delhi.

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M.A. ECONOMICS 2017-18

SEMESTER – II

CORE PAPER –VI

INDIAN ECONOMY

Objectives:The objective of the paper would be to sharpen the analytical faculty of the students by highlighting on broad overview of the Indian economy. The paper also emphasis on social and economic infrastructure, Natural resources of India. The course is expected to enable the student to appreciate the evaluation of the economy, its institutional frame work for analysing public policy, and to get familiar with the issues related to agriculture, industry, Foreign trade and Economic Planning in India.

UNIT – I

An Overview of Indian Economy: Structural Transformation in India- Sectoral trends and growth rates. Broad Demographic Features of Indian Population, Occupational pattern in India. Rural-Urban Migration, Urbanisation and Civic Amenities, Population Policy (Latest). Social Infrastructure- Education, Health and Malnutrition. Indicators of Human Development- Human Development Index (HDI), Gender Related Development Index (GDI). Happiness Index.

UNIT – II

Agriculture – Need for Land Reforms, Technological changes in Agriculture, Pricing of Agriculture Inputs and Output, Agriculture Finance Policy, Agriculture Marketing, Issues in Food Security, Policies for Sustainable Agriculture, Need for Agriculture Insurance.
Industry – Growth and Pattern of Industrialization, Industrial Policies and New Economic Reforms, Privatisation and Disinvestment, Exit Policy Issues in Labour Market Reforms.

UNIT –III

Resource Base Economic Infrastructure: Economic Infrastructure (Power, Transport and Communication), Issues and Policies in Infrastructural Development.
Natural Resources and Economic Development- Land Resource, Forest Resource, Livestock Resources, Water Resource; Environmental Degradation and Economic development.

UNIT – IV

Poverty, Inequality and Unemployment- Concepts, Estimation, Trends and measures to eradicate them. Problem of corruption and parallel economy. Challenges to inclusive growth in India. Need for and issues in good governance

Planning in India – Relevance of Planning in the Liberalised/Free Market Economy. Objectives and Strategies, Failures and Achievements of Plans, Latest Five Year Plan. Evolution of Niti Ayog and its approach towards planning in India.

UNIT-V

Foreign Trade – Volume, Structure and direction of Foreign Trade, Balance of Payments, Issues in Export-Import Policy and FEMA, Exchange Rate Policy, The management of Foreign Exchange, Issue of the Convertibility of Rupee on Capital Account. , WTO - objectives, various issues and a critical review of the working of WTO.

Key Economic Reforms introduced in India and their impact; Globalisation of Indian Economy – Foreign Capital and MNCs in India.

Reading List

- Mishra and Puri – Indian Economy, Himalaya Publishing House, New Delhi.
- Rudra Dutt and Sundaram – Indian Economy, S. Chand and Company, New Delhi.
- Alok Ghosh – Indian Economy Its Nature and Problems, The New Book Stall.
- Hariharan, N. P. (2008) – Lights and Shades of Indian Economy, Vishal Publishing Co., Jalandhar.
- Uma Kapila (20th Edition) (2009) – Indian Economy Since Independence, Academic Foundation, New Delhi.
- Jalan, B. (1992) – The Indian Economy, Problems and Prospects, Viking, New Delhi.
- Reserve Bank of India – Report on Currency and Finance (Annual).
- Indian Economy (Extra issue) – Pratiyogita Darpan, Upkar Prakashan, Agra.
- Todaro, M. (1997) – Economic Development in the third world, Addison Wesley, England.
- Brahmananda, P. R. and V. R. Panchmukhi (Eds.) (1987) – The Development Process of the Indian Economy, Himalaya Publishing House, Bombay.
- World Bank (2000) – Indian Reducing Poverty, Accelerating Economic Development, Oxford University Press, New Delhi.
- Government of India, Planning Commission, 11th Five Year Plan, New Delhi.
- Vijay Nagesh Gumma (2008) – The Impact of Globalization on Small Scale Industries, Deep and Deep Publication Pvt. Ltd., New Delhi.

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MA ECONOMICS 2017-18
SEMESTER II
SKILL COURSE PAPER-01
BASIC ECONOMIC ANALYSIS WITH SPSS

Objective: A Student of Economics should know must have knowledge of data analysis through software. SPSS is one of the best data analysis packages. This paper aims to skill them in analysing the data with the help of SPSS by providing hands on experience.

UNIT I

Introduction to SPSS

Starting SPSS, SPSS main menus, Working with the data editor -General description, functions, menus, commands , SPSS file management.

Input and data cleaning - Defining variables, Manual input of data , Automated input of data and file import.

Data manipulation - Data Transformation, Syntax files and scripts, Output management.

Theoretical Framework: Types of Variables - Qualitative Vs. Quantitative Variables, Nominal, Ordinal, Interval and Ratio Scale Data. Hypothesis Testing, Type I and Type II Errors, Significance Level, One Tailed and Two Tailed Tests.

UNIT-II

Descriptive Statistics

Basic Concepts - Measures of Central Tendency, Measures of Variability, Percentiles, Quartiles and Interquartile Range, Skewness, Kurtosis.

Using SPSS Descriptive Statistics- Frequencies, Descriptives, Explore, Crosstabs.

UNIT- III

Data Presentation

Different Types of Charts- Histogram, Bar Charts, Pie, Cluster and Stacked Bar , Line Charts.

Use of SPSS in making Charts: Chart Builder, Constructing and editing Charts.

UNIT-IV

Correlation

Correlation Coefficient , Pearson Correlation, Spearman Correlation, Kendall Tau B, Scatter Plots, Partial Correlation.

UNIT-V

Chi - Square Test

Basic Concepts – Chi-Square test of Independence and goodness of fit, Contingency Tables. using SPSS Test of Independence, 2x2 Cross tabulation, Layered cross tab, Goodness of fit.

Basic Readings:

- Gaur A. S. & Gaur S. S (2009). Statistical Methods for Practice and Research: A guide to data analysis using SPSS, Sage Response, Second edition.
- IBM SPSS Training Manual
- Parameswaranm R. (2010). Computer Applications in Business, S. Chand and Company, New Delhi.
- Sudalaimuthu, S. & Anthony R. S. (2008), Computer Applications in Business, Himalays Publishing House, New Delhi.