

# **POST GRADUATE DEPARTMENT OF ECONOMICS**



## **Post Graduate Curriculum**

**For 2016 Admission Onwards**

**Programme : Master of Economics (M.A)**

**Under Choice Based Credit System [CBCS]**

# Preface

India has a rich and glorious tradition of higher education since ancient times. Nalanda, Takshasila , Vikramshila and Vallabhi were some of the important and well known universities of ancient India. These universities or centres of excellence have a unique role in the history of higher education in the country. Machiavelli had once remarked” man is a social animal; man is basically an animal that need socialisation. For this socialisation and civilisation he needs education and training’. It is widely acknowledged that a rupee invested on education bring greater increase in national income and national prosperity. Alfred Marshall has also commented that investment in human beings as the most valuable of all capital. The positive correlation between education and economic development has been proved across the world.

One of the important aspects of higher education is that it should uphold qualitative changes. It should cater to the needs of a growing economy. This means that the course content of education should be periodically revised and updated. Economics, as a subject of study holds infinite promise. In the present scenario, it is very well noticed that almost every facet of human activity is directly or indirectly related to Economics. A change in the economic policy of government, regulation and deregulation issues, monetary and fiscal policy, proper understating of government’s budget etc has Economics in it. The major objective of Economics is to acquaint the student community with both theoretical and practical aspects of all matters related to Economics. Hence a study of the subject of Economics is of paramount importance.

Keeping these facts in mind, the “Restructuring of Curriculum and Syllabi” of UG and PG Programmes has been taken up by the Post Graduate Department of Economics, Maharaja’s College, Ernakulam. The process of restructuring the syllabus started with the constitution of the Board of Studies in 2015 by incorporating well known experts from both the industry and from academia.

The inclusion of these members brought in a dynamism and fresh perspective to the whole process. A seven day workshop on Curriculum and Syllabus Restructuring for teachers was organized in the month of November and December with the financial support of Directorate of Collegiate Education. After serious discussions and deliberations, the Department prepared a draft syllabus. This draft syllabus was presented before the Board of Studies and the suggestions made by the external members were incorporated into the syllabus. The process culminated with the approval of the Restructured Curriculum and Syllabus by the Board of Studies.

It is with immense pleasure and pride that the Post Graduate Department of Economics, Maharaja's College, Ernakulam, presents to all stakeholders, the Restructured Curriculum and Syllabus for Under Graduate and Post Graduate Programmes, 2016 admissions onwards.

**Dr. Sunil Kumar S. Menon**  
**Chairman, Board of Studies**

## **ACKNOWLEDGEMENT**

Acknowledgment or expression of gratitude is a difficult task especially when genuine. Everything good happens a result of an united action. The Restructured Curriculum and Syllabus of the Post Graduate/ undergraduate Department of Economics is a conclusion of the determined effort put in by the members of the Board of Studies and experts from other institutions.

I would like to thank all the external members of the Board of Studies, Dr. K.V Raju, Dr. S. Muraleedharan, Dr K.Prasanna, Dr. V.K Vijayakumar and Sri Arun S.Babu for their whole hearted cooperation commitment and constructive criticism.

This venture would not have been possible without the support of my colleagues in the department who are also internal members of the Board of Studies. All the members worked tirelessly during the last one year for all the academic endeavours of the department, especially in the syllabus restructuring process. I place on record my sincere gratitude to all of them for their dedicated efforts. They stood as a bridge across troubled waters. In particular, I appreciate the efforts of Dr. Ancy V.P, coordinator of the Syllabus Restructuring Workshop. I would also like to thank the teacher participants of the workshop.

In any academic endeavour in college, the role of the captain has to be recognised. I would like to acknowledge the constant support and guidance of Principal Smt. N.L Beena. The Department also owes a lot to the guidance given by the former faculty member Prof. Martin Patrick. I would be failing in my duty if I forget the help and advices given by my friend Dr. V.N Suresh, Member Secretary, Academic Council of our college and the Head of the Department of Commerce. He was of great courage and support to me, especially.

Last, but definitely not the least, I express sincere gratitude to the Directorate of Collegiate Education, Government of Kerala for the financial support extended. I firmly believe that process of initiating a change is always never ending.

**Dr. Sunil Kumar S. Menon**  
**Chairman, Board of Studies.**

**Maharaja's College Ernakulam**  
**A Government Autonomous College**  
**Affiliated to Mahatma Gandhi University, Kottayam**  
**Under Graduate Degree Programme in Economics**  
**w.e.f. 2016 Admission Onwards**

**Board of Studies in Economics**

| Sl. No. | Name of Member            | Designation  |
|---------|---------------------------|--|
| 1       | Dr. Sunil Kumar S. Menon. | <i>Chairman, BoS Economics</i><br>Assistant Professor and HoD  |
| 2       | Dr. S. Muraleedharan      | <b>External Member</b><br>Associate Professor of Economics ( Rtd)<br>Research Supervisor , Research Centre in Economics<br>Maharaja's College, Ernakulam.                |
| 3       | Dr. K.V Raju              | <b>External Member</b><br>Associate Professor of Economics<br>Post Graduate and Research Centre in Economics<br>Sacred Heart College, Thevara, Kochi                     |
| 4       | Dr. K. Prasanna           | <b>External Member</b><br>Head , Department of Economics ,<br>Chinmaya Vidyapeet, Ernakulam<br>Former Principal, T.M Jacob Memorial Government<br>College, Manimalakunnu |
| 5       | Dr. V.K Vijayakumar       | <b>External Member [Industry]</b><br><i>Investment Strategist, Geojit BNP Paribas</i>  |
| 6       | Mr. Arun S.Babu           | <b>External Member [Alumni]</b><br>Substitute Lecturer ( FDP)  |
| 7       | Smt. Mary Ushes James.    | <b>Internal Member</b><br>Assistant Professor in Economics   |
| 8       | Dr. Ancy V.P.             | <b>Internal Member</b><br>Assistant Professor in Economics   |
| 9       | Smt. Nishanthi P.U        | <b>Member</b><br>Assistant Professor in Economics  |
| 10      | Sri. Martin K.J           | <b>Internal Member</b><br>Assistant Professor in Economics   |
| 11      | Sri. R.L Rejith           | <b>Internal Member</b><br>Assistant Professor in Economics   |

## External Participants of Curriculum and Syllabus Restructuring Workshop

| Sl. No. | Name                      | Designation                                      | Institution                               |
|---------|---------------------------|--|---|
| 1       | Dr. CHACKO JOSE P         | Associate Professor and Head, Dept. of Economics | Sacred Heart College, Chalakkudy          |
| 2       | Dr. S MURALEEDHARAN       | Rtd. Professor                                   | Maharaja's College, Ernakulam             |
| 3       | Dr. T.K SEBASTIAN         | Associate Professor                              | Nirmalagiri College , Koothuparambu       |
| 4       | Dr. ROY SCARIA            | Assistant Professor                              | Government College Manimalakunnu          |
| 5       | Sri. M J SUNIL KUMAR      | Associate Professor                              | Government College, Kottayam              |
| 6       | Dr. TOJO JOSE             | Assistant Professor and Head                     | Government College, Manimalakunnu         |
| 7       | Dr. SINDHU K              | Associate Professor                              | The Cochin College                        |
| 8       | Sri. SHANU .S             | Assistant Professor                              | Government College For Women, Trivandrum  |
| 9       | Sri. THOMAS MATHEW        | Assistant Professor                              | Government College, Chalakkudy            |
| 10      | Dr. ABIN MATHEW           | Assistant Professor                              | Government Art's College, Trivandrum      |
| 11      | Sri. JOBY JOSE            | Assistant Professor                              | Government College, Kottayam              |
| 12      | Prof. K. T. THOMACHAN     | Associate Professor                              | St. Joseph's College, Devagiri, Kozhikode |
| 13      | Dr. C. A. PRIYESH         | Assistant Professor                              | University College, Trivandrum            |
| 14      | Sri. SUNIL KUMAR M        | Assistant Professor                              | Government College, Thrishur              |
| 15      | Dr. MOTHI GEORGE          | Assistant Professor                              | Government College, Ambalapuzha           |
| 16      | Dr. ANNA ABRAHAM PACHAYIL | Assistant Professor                              | Government College, Kottayam              |

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**MAHARAJA'S COLLEGE, ERNAKULAM**  
**(A GOVERNMENT AUTONOMOUS COLLEGE)**  
**REGULATIONS FOR POST GRADUATE PROGRAMMES**  
**UNDER CHOICE BASED CREDIT SYSTEM**  
**(2016 Admission onwards)**

**1. SHORT TITLE**

- 1.1. These Regulations shall be called as Post Graduate Regulations (2016) of Maharaja's College (Autonomous) under the Choice Based Credit System.
- 1.2. These Regulations shall come into force from the Academic Year 2016-2017 onwards

**2. SCOPE**

- 2.1. The regulation provided herein shall apply to all regular post-graduate programmes, MA/MSc / MCom, conducted by Maharaja's College (Autonomous) with effect from the academic year 2016-2017 admission onwards.

**3. DEFINITIONS**

- 3.1. 'Programme' means the entire course of study and Examinations.
- 3.2. 'Duration of Programme' means the period of time required for the conduct of the programme. The duration of post-graduate programme shall be of 4 semesters.
- 3.3. 'Semester' means a term consisting of a minimum of 90 working days, inclusive of examination, distributed over a minimum of 18 weeks of 5 working days each.
- 3.4. 'Course' means a segment of subject matter to be covered in a semester. Each Course is to be designed variously under lectures / tutorials / laboratory or fieldwork / seminar / project / practical training / assignments/evaluation etc., to meet effective teaching and learning needs.
- 3.5. 'Credit' (Cr) of a course is a measure of the weekly unit of work assigned for that course in a semester.
- 3.6. 'Course Credit' One credit of the course is defined as a minimum of one hour lecture /minimum of 2 hours lab/field work per week for 18 weeks in a Semester. The course will be considered as completed only by conducting the end semester examination. The total minimum credits required for completing a PG programme is 80.
- 3.7. 'Programme Core course' Programme Core course means a course that the student admitted to a particular programme must successfully complete to receive the Degree and which cannot be substituted by any other course.



- 3.8. 'Programme Elective course' Programme Elective course means a course, which can be substituted, by equivalent course from the same subject and a minimum number of courses is required to complete the programme.
- 3.9. 'Programme Project' Programme Project means a regular project work with stated credits on which the student undergo a project under the supervision of a teacher in the parent department / any appropriate research center in order to submit a dissertation on the project work as specified.
- 3.10. 'Seminar' seminar means a lecture expected to train the student in self-study, collection of relevant matter from the books and internet resources, editing, document writing, typing and presentation.
- 3.11. 'Evaluation' means every student shall be evaluated by 20% in-semester assessment and 80% end- semester assessment.
- 3.12. 'Repeat course' is a course that is repeated by a student for having failed in that course in an earlier registration.
- 3.13. 'Audit Course' is a course for which no credits are awarded.
- 3.14. 'Parent Department' means the Department which offers a particular post graduate programme.
- 3.15. 'Department Council' means the body of all teachers of a Department in a College.
- 3.16. 'Faculty Advisor' is a teacher nominated by a Department Council to coordinate the continuous evaluation and other academic activities undertaken in the Department.
- 3.17. 'Letter Grade' in a course means a letter symbol (S,A,B,C,D, etc.) which indicates the broad level of performance of a student in a course.
- 3.18. Each letter grade is assigned a 'Grade point' (GP) which is an integer indicating the numerical equivalent of the broad level of performance of a student in a course.
- 3.19. Credit Point (CP) of a course is the value obtained by multiplying the grade point (GP) by the Credit (Cr) of the course  $CP=GP \times Cr$ .
- 3.20. Extra Credits are additional credits awarded to a student over and above the minimum credits required for a programme for achievements in co-curricular activities carried out outside the regular class hours as directed by the Mahatma Gandhi University
- 3.21. Cumulative Grade Point Average (CGPA) is the value obtained by dividing the sum of credit points in all the courses taken by the student for the entire programme by the total number of credits and shall be rounded off to two decimal places.

3.22. Grace Marks means marks awarded to course/s, as per the UO's issued from time to time, in recognition of meritorious achievements in NSS/Sports/Arts and cultural activities.

#### **4. PROGRAMME STRUCTURE**

4.1. Students shall be admitted into post graduate programme under the various faculties.

4.2. The programme shall include two types of courses, Program Core (C) courses and Program Elective (E) Courses. There shall be a Program Project (P) with dissertation to be undertaken by all students. The Programme will also include assignments, seminars / practical, viva (V) etc., if they are specified in the Curriculum.

4.3. There shall be various groups of Programme Elective courses for a programme such as Group A, Group B etc. for the choice of students subject to the availability of facility and infrastructure in the institution and the selected group shall be the subject of specialization of the programme.

##### **4.4. Project work**

4.4.1. Project work shall be completed by working outside the regular teaching hours.

4.4.2. Project work shall be carried out under the supervision of a teacher in the concerned department.

4.4.3. A candidate may, however, in certain cases be permitted to work on the project in an Industrial / Research Organization on the recommendation of the Supervisor.

4.4.4. There should be an in-semester assessment and end-semester assessment for the project work.

4.4.5. The end-semester evaluation of the Project work is followed by presentation of work including dissertation and Viva-Voce.

##### **4.5. Seminar Lectures**

4.5.1 Every PG student shall deliver one seminar lecture as an internal component for every course. The seminar lecture is expected to train the student in self-study, collection of relevant matter from the books and Internet resources, editing, document writing, typing and presentation.

##### **4.6 Test Papers**

4.6.1 Every student shall undergo at least two class tests as an internal component for every course.

#### **4.7 Assignments**

- 4.7.1 Every student shall submit one assignment as an internal component for every course.

#### **4.8 Attendance**

- 4.8.1 The attendance of students for each course shall be another component of in-semester assessment.
- 4.8.2 The minimum requirement of aggregate attendance during a semester for appearing the end semester examination shall be 75%.
- 4.8.3 Condonation of shortage of attendance to a maximum of 10 days in a semester subject to a maximum of two times during the whole period of post graduate programme.
- 4.8.4 If a student represents his/her institution, University, State or Nation in Sports, NSS or Cultural or any other officially sponsored activities such as college union / university union activities, he/she shall be eligible to claim the attendance for the actual number of days participated subject to a maximum of 10 days in a Semester based on the specific recommendations of the Head of the Department and Principal of the College.
- 4.8.5 A student who does not satisfy the requirements of attendance shall not be permitted to take the end-semester examinations.
- 4.8.6 Those students who are not eligible even with condonation of shortage of attendance shall repeat the course along with the next batch.

#### **4.9 Maximum Credit**

- 4.9.1 No course shall have more than 4 credits.

#### **4.10 Viva-Voce**

- 4.10.1 Comprehensive Viva-voce shall be conducted at the end semester of the programme. Comprehensive Viva-Voce covers questions from all courses in the programme.

#### **4.11 Alpha numeric code**

- 4.11.1 Each course shall have an alpha numeric code number which includes abbreviation of the subject in two letters, the semester number, the code of the course and the serial number of the course ('C' for Program Core course, 'E' for Program Elective course, 'O' for Open Elective course, 'P' for Practicals, 'D' for Project/ Dissertation and 'V' for comprehensive Viva).

### **5. REGISTRATION**

5.1. A student shall be permitted to register for the programme at the time of admission.

5.2. A student who registered for the course shall complete the course within a period of 8 semesters from the date of commencement of the programme.

## **6. ADMISSION**

6.1. Candidates for admission to the first semester of the PG programme shall be required to have passed an appropriate Degree Examination of any recognized University or authority accepted by the Academic council of the Maharaja's College.

6.2. The candidate has to register all the courses prescribed for the particular semester.

6.3. Cancellation of registration is applicable only when the request is made within two weeks from the time of admission.

6.4. Students admitted under this programme are governed by the Regulations in force.

## **7. PROMOTION**

7.1. A student who registers for the end semester examination shall be promoted to the next semester.

## **8. EXAMINATION**

8.1. There shall be end semester examination at the end of each semester.

8.2. The answers must be written in English except for those coming under Faculty of Languages.

8.3. Practical examinations shall be conducted by the college at the end of even semesters only.

8.4. Project evaluation and Viva -Voce shall be conducted at the end of the programme only.

8.5. Practical examination, Project evaluation and Viva-Voce shall be conducted by two external examiners.

## **9. END-SEMESTER EXAMINATION**

9.1. The examinations shall normally at the end of each semester. There shall be one end-semester examination of 3 hours duration in each lecture based course and practical course.

9.2. A question paper may contain short answer type/annotation, short essay type questions/problems and long essay type questions.

## **10. EVALUATION AND GRADING**

### **10.1. Evaluation**

10.1.1 The evaluation scheme for each course shall contain two parts; (a) in-semester evaluation and (b) end-semester evaluation. 20 marks shall be given to in-semester

evaluation and the remaining 80 marks to end-semester evaluation. Both in-semester and end semester evaluation shall be carried out by using in mark system. Both internal and external marks are to be mathematically rounded to the nearest integer.

### 10.1.2 Internal evaluation

10.1.2.1 The internal evaluation shall be based on predetermined transparent system involving periodic written tests, assignments, seminars and attendance in respect of theory courses and based on written tests, lab skill/records/viva and attendance in respect of practical courses. The marks assigned to various components for in-semester evaluation is as follows.

#### Components of In-semester Evaluation (For theory)

| Components       | Component Marks |
|------------------|-----------------|
| Assignment       | 4               |
| Seminar          | 4               |
| Two Test papers* | 8               |
| Attendance       | 4               |
| <b>Total</b>     | <b>20</b>       |

\*Marks of Test Papers shall be the average

#### Components of In-semester Evaluation (For Practical)

| Components             | Component Marks |
|------------------------|-----------------|
| Attendance             | 4               |
| Laboratory Involvement | 4               |
| Written/Lab Test       | 4               |
| Record*                | 4               |
| Viva                   | 4               |
| <b>Total</b>           | <b>20</b>       |

\*Marks awarded to Record should be related to number of experiments recorded

#### Components of In-semester Evaluation (For Project)

| Components                      | Marks     |
|---------------------------------|-----------|
| Topic/Area selected             | 2         |
| Experimentation/Data collection | 4         |
| Punctuality                     | 2         |
| Compilation                     | 4         |
| Content                         | 4         |
| Presentation                    | 4         |
| <b>Total</b>                    | <b>20</b> |

#### a) Evaluation of Attendance

| % of attendance | Mark |
|-----------------|------|
|-----------------|------|

|              |   |
|--------------|---|
| 95 and above | 4 |
| 85 to 94     | 3 |
| 80 to 84     | 2 |
| 75 to 79     | 1 |
| < 75         | 0 |

(Decimals are to be rounded to the next higher whole number)

**b) Evaluation of Assignment**

| <b>Components</b> | <b>Marks</b> |
|-------------------|--------------|
| Punctuality       | 1            |
| Content           | 1            |
| Conclusion        | 1            |
| Reference/Review  | 1            |
| <b>Total</b>      | <b>4</b>     |

**c) Evaluation of Seminar**

| <b>Components</b> | <b>Marks</b> |
|-------------------|--------------|
| Content           | 1            |
| Presentation      | 2            |
| Reference/Review  | 1            |
| <b>Total</b>      | <b>4</b>     |

10.1.2.2 To ensure transparency of the evaluation process, the in-semester marks awarded to the students in each course in a semester shall be published on the notice board at least one week before the commencement of external examination. There shall not be any chance for improvement for in semester marks.

10.1.2.3 The course teacher and the faculty advisor shall maintain the academic record of each student registered for the course and a copy should be kept in the college for at least one year for verification.

**10.1.3 End-Semester Evaluation:**

10.1.3.1 The end-semester evaluation in theory courses is to be conducted by the college with question papers set by external experts. The answers must be written in English except those for the Faculty of Languages. The evaluation of the answer scripts shall be done by examiners based on a well-defined scheme of valuation. The end-semester evaluation shall be done immediately after the examination preferably through Centralized Valuation.

10.1.3.2 Photocopies of the answer scripts of the external examination shall be made available to the students for scrutiny on request and revaluation/scrutiny of answer scripts shall be done as per the request of the candidate by paying fees.

10.1.3.3 The question paper should be strictly on the basis of model question paper set by BOS and there shall be a combined meeting of the question paper setters for scrutiny and finalization of question paper. Each set of question should be accompanied by its answer scheme for valuation.

**10.1.3.4 Pattern of Questions**

10.1.3.4.1 The question setter shall ensure that questions to course should satisfy weightage to objectives and weightage to difficulty levels.

| <b>Weightage to Objectives</b> |          | <b>Weightage to difficulty levels</b> |          |
|--------------------------------|----------|---------------------------------------|----------|
| <b>Objectives</b>              | <b>%</b> | <b>Level of difficulty</b>            | <b>%</b> |
| Understanding                  | 25       | Easy                                  | 20       |
| Critical Evaluation            | 50       | Average                               | 60       |
| Application                    | 25       | Difficult                             | 20       |

10.1.3.4.2 Question paper setters shall also submit a detailed scheme of evaluation along with the question paper. A question paper shall be a judicious mix of objective type, short answer type, short essay type /problem solving type and long essay type questions.

**Pattern of questions for end semester examination**

|              | Total no. of questions | Number of questions to be answered | Marks of each question | Total marks |
|--------------|------------------------|------------------------------------|------------------------|-------------|
|              | 12                     | 10                                 | 2                      | 20          |
|              | 10                     | 6                                  | 5                      | 30          |
|              | 4                      | 2                                  | 15                     | 30          |
| <b>TOTAL</b> | <b>26</b>              | <b>18</b>                          | <b>x</b>               | <b>80</b>   |

## 10.2 Grades for Courses

For all courses (theory & practical), grades are given on a 10-point scale based on the total percentage of marks (*ISA+ESA*) as given below

| Percentage of Marks | Grade                        | Grade Point (GP) |
|---------------------|------------------------------|------------------|
| 95 and above        | S Outstanding                | 10               |
| 85 to below 95      | A <sup>+</sup> Excellent     | 9                |
| 75 to below 85      | A Very Good                  | 8                |
| 65 to below 75      | A- Good                      | 7                |
| 55 to below 65      | B <sup>+</sup> Above Average | 6                |
| 50 to below 55      | B Average                    | 5                |
| 40 to below 50      | C Pass                       | 4                |
| Below 40            | F Fail                       | 0                |
|                     | Ab Absent                    | 0                |

## 11. CREDIT POINT AND CREDIT POINT AVERAGE

**Credit Point (CP)** of a course is calculated using the formula

$$CP = C \times GP, \text{ where } C = \text{Credit}; GP = \text{Grade point}$$

Semester Grade Point Average (SGPA) of a Semester is calculated using the formula

$$SGPA = TCP/TC, \text{ where } TCP = \text{Total Credit Point of that Semester}$$

$$TC = \text{Total Credit of that Semester}$$

**Cumulative Grade Point Average (CGPA)** of a Programme is calculated using the formula

$$CGPA = \frac{\sum(TCP \times TC)}{\sum TC}$$

CGPA shall be rounded off to two decimal places

## 12. Grades for the different semesters and overall programme are given based on the corresponding CPA as shown below:

| GPA                        | Grade                   |
|----------------------------|-------------------------|
| Equal to 9.5 and above     | <i>S Outstanding</i>    |
| Equal to 8.5 and below 9.5 | <i>A+ Excellent</i>     |
| Equal to 7.5 and below 8.5 | <i>A Very Good</i>      |
| Equal to 6.5 and below 7.5 | <i>A- Good</i>          |
| Equal to 5.5 and below 6.5 | <i>B+ Above Average</i> |
| Equal to 5.0 and below 5.5 | <i>B Average</i>        |
| Equal to 4.0 and below 5.0 | <i>C Pass</i>           |
| Below 4.0                  | <i>F Failure</i>        |

**12.1.A** separate minimum of 40% marks each for in-semester and end semester (for both theory and practical) and aggregate minimum of 40% are required to pass for a course. To



pass in a programme, a separate minimum of Grade **C** is required for all the individual courses. If a candidate secures **F** Grade for any one of the courses offered in a Semester/Programme only **F** grade will be awarded for that Semester/Programme until he/she improves this to **C** grade or above within the permitted period. Candidates who secures **C (CGPA)** grade and above shall be eligible for higher studies.

12.2. A candidate who has not secured minimum marks/credits in internal examinations can re-do the same registering along with the end-semester examination for the same semester, subsequently.

12.3. A student who fails to secure a minimum marks/grade for a pass in a course will be permitted to write the examination along with the next batch.

**12.4. There will be no supplementary examinations.** A candidate will be permitted to improve the marks/CGPA of a programme within a continuous period of four semesters immediately following the completion of the programme. If a candidate opts for the betterment of a programme, he/she has to appear for the entire semester. The consolidation of marks/grade/grade points after the betterment examination is limited to one time

### **13. AWARD OF DEGREE**

The successful completion of all the courses with CGPA of 'C' (40%) shall be the minimum requirement for the award of the degree.

### **14. GRIEVANCES REDRESS COMMITTEE**

The College shall form a Grievance Redress Committee in each Department comprising of course teacher and one senior teacher as members and the Head of the Department as Chairman. The Committee shall address all grievances relating to the in-semester assessment grades of the students. There shall be a college level Grievance Redress Committee comprising of Faculty advisor, two senior teachers and the Principal as Chairman.

## Department of Economics

PG Programme : MA Economics

Total Credits: 80

### Curriculum

|                     | Course Code  | Course   | Credit    | Marks     |            |            | Weekly Contact Hours |                    | Course Code               | Course  | Credit | Marks     |           |            | Weekly Contact Hours |
|---------------------|--------------|--|-----------|-----------|------------|------------|----------------------|--------------------|---------------------------|---|--------|-----------|-----------|------------|----------------------|
|                     |              |  |           | Int.      | Ext.       | Total      |                      |                    |                           |   |        | Int.      | Ext.      | Total      |                      |
| <b>Semester I</b>   | PG1 ECOC01   | Microeconomic Theory of Consumer behavior and firm | 4         | 20        | 80         | 100        | 5                    | <b>Semester II</b> | PG2 ECOC06                | Micro Economics: Markets, information and welfare | 4      | 20        | 80        | 100        | 5                    |
|                     | PG1 ECOC02   | Macroeconomic Theory and Policy                    | 4         | 20        | 80         | 100        | 5                    |                    | PG2 ECOC07                | Advanced Macroeconomic Theory and Policy          | 4      | 20        | 80        | 100        | 5                    |
|                     | PG1 ECOC03   | Indian Economy Issues and Policies 1               | 4         | 20        | 80         | 100        | 5                    |                    | PG2 ECOC08                | Indian Economy Issues and Policies II             | 4      | 20        | 80        | 100        | 5                    |
|                     | PG1 ECOC04   | Economics of Development and Growth -1             | 4         | 20        | 80         | 100        | 5                    |                    | PG2 ECOC09                | Economics of Development and Growth -II           | 4      | 20        | 80        | 100        | 5                    |
|                     | PG1 ECOC05   | Quantitative methods for Economic Analysis -1      | 4         | 20        | 80         | 100        | 5                    |                    | PG2ECOC10                 | Quantitative methods for Economic Analysis- II    | 4      | 20        | 80        | 100        | 5                    |
|                     | <b>TOTAL</b> |  |           | <b>20</b> |            | <b>500</b> | <b>25</b>            |                    | <b>TOTAL</b>              |   |        | <b>20</b> |           | <b>500</b> | <b>25</b>            |
| <b>Semester III</b> | PG3 ECOC11   | International Trade Theory and Policy              | 4         | 20        | 80         | 100        | 5                    | <b>Semester IV</b> | PG4 ECOC15                | International Monetary System                     | 4      | 20        | 80        | 100        | 5                    |
|                     | PG3 ECOC12   | Public Economics                                   | 4         | 20        | 80         | 100        | 5                    |                    | PG4 ECOC16                | Public Finance with Special reference to India    | 3      | 20        | 80        | 100        | 5                    |
|                     | PG3 ECOC13   | Research Methods in Economics                      | 4         | 20        | 80         | 100        | 5                    |                    | PG4 ECOEL02               | Elective from Set 2                               | 3      | 20        | 80        | 100        | 5                    |
|                     | PG3 ECOC14   | Economics of Environment and Social sector         | 4         | 20        | 80         | 100        | 5                    |                    | PG4ECOEL03                | Elective from Set 2                               | 3      | 20        | 80        | 100        | 5                    |
|                     | PG3 ECOEL01  | Elective from set 1                                | 4         | 20        | 80         | 100        | 5                    |                    | PG4 ECOEL04               | Elective from Set 2                               | 3      | 20        | 80        | 100        | 5                    |
|                     |              |  |           |           |            |            |                      |                    | <b>Dissertation- viva</b> |   |        | <b>2</b>  |           |            |                      |
|                     |              |  |           |           |            |            |                      |                    | <b>General viva</b>       |   |        | <b>2</b>  |           |            |                      |
| <b>TOTAL</b>        |              |  | <b>20</b> |           | <b>500</b> |            | <b>TOTAL</b>         |                    |                           | <b>20</b>   |        |           | <b>25</b> |            |                      |

# **Syllabus & References**

# **SEMESTER I**

- 1. Microeconomics: Theory Of Consumer Behaviour & Firm**
- 2. Macroeconomic Theory And Policy**
- 3. Indian Economy: Issues and Policies-I**
- 4. Economics of Development and Growth-I**
- 5. Quantitative Methods for Economic Analysis- I**

# **PG1ECOC01 MICROECONOMICS THEORY OF CONSUMER BEHAVIOUR & FIRM**

## **Objectives:**

The course is intended to provide a good understanding and base to the students in applying the concepts and methods of microeconomics in the practical field. The broad objectives of the course is to equip the students themselves in a comprehensive manner with the various aspects of the traditional Microeconomic theory as well as the latest developments in this field and the applications of theories in analyzing current economic problems and to develop the ability to synthesize knowledge . The course is divided into three modules which cover recent developments of the theory of consumer behaviour, theory of production and costs, theory of firm and institutions

## **Learning Outcomes (Module1)**

- The knowledge of consumer behaviour enables the student in taking rational buying decisions and also help a firm to design suitable marketing strategies
- The student gets equipped with the knowledge and skill in effective decision making under uncertain market situations
- The student understands the importance of time allocation and household management

## **Learning Outcomes (Module2)**

- The student develops the skill for converting technical information into economic relationship between input and output
- Develops skill to determine the homogeneity/ non-homogeneity of production functions and to estimate the output level for the given input level
- The student acquires skills in allocating scarce resources among alternative uses
- The understanding of economies of scope and learning curves help in analyzing the nature and functioning of modern multiproduct firms

## **Learning Outcome (Module3)**

- The student learns about the reasons for the existence of firm and the boundaries of the Firm
- The student gets equipped with the knowledge of the emergence of different organizational structures of the firm
- Develops the skill in analyzing business phenomena in terms of transaction cost saving.

## **Module 1.**

Recent Developments of the Theory of the Consumer Behaviour: (40 Hours)

Hicksian revision of demand theory-Choice under uncertainty (Bernoulli, Neumann and Morgenstern theory, Friedman and Savage hypothesis, Markowitz hypothesis)-Behavioural Economics Recent developments in the theory of market demand(constant elasticity demand function, dynamic versions of demand, Linear

expenditure system ,duality and indirect utility function) Household Time Allocation model of Garry S.Becker-Characteristics model of Kelvin Lancaster positive and negative Network externalities (Bandwagon, Snob and Veblen effects)

### **Module 11 Theory of Production and Costs (30 Hours)**

Homogeneous and non homogeneous production function- Technical progress and production function-Cobb Douglas and CES Production function and their properties –equilibrium of a single product firm: choice of optimum combination of factors -equilibrium of a multiproduct firm.Modern theory of cost- Engineering cost- multiproduct firms and dynamic changes in costs (economies of scope-learning curve)

### **Module 111 Theory of firm and Institutions (20 Hours)**

Nature of the firm and boundaries of the firm (Ronald Coase)-Transaction cost approach of Williamson- Team production approach by Armen Alchian and Harold Demsetz -Hierarchical structure of the firm (Unitary form firm-Multidivisional form firm - mixed U/M form firms)

### **Basic Reading**

Koutsoyiannis A. (1979), Microeconomic Theory (2nd edition), Macmillan, London (Chapter 2, 3, 4)

Pindyck and Rubinfeld(2006) Microeconomics, Prentice Hall of India Ltd, New Delhi (Chapter 4,5,7)

Gravelle H and R.Rees (2004), Microeconomic s, Pearson London (Chapter 4, 13)

Maria Moschandreas(1994)Business Economics, Routledge Publisher(Chapter 4,6)

Martin Patrick and Visakha Varma G.(2007), An Economic Approach to Social Interactions, Educational Publishers and Distributors, Ernakulam(Chapter 4,5)

### **Additional Reading**

#### **Module 1**

Baumol W.J.(1985),Economic Theory and Operations Analysis, Prentice Hall( Chapter 22)

John M.Gowdy (2011), Micro Theory Old and New: A students‘ Guide, Orient Blackswan Pvt Ltd New Delhi (Chapter 7)

Dominic Salvatore (2009), Principles of Microeconomics, OUP, New Delhi (Chapter 6)

Robert M.Frank (1991), Microeconomics and Behaviour,McGraw Hill International Editions(Chapter 6)

Watson and Getz (1996), Price Theory and its Uses (revised fifth edition), AITBS Publishers, Delhi (Chapter 7)

B.Douglas Bernhem and Michael D.Whinston(2009), Microeconomics, Tata McGraw-Hill, New Delhi(Chapter 11,13)

Hicks John R.(1956),A Revision of Demand Theory, Oxford: Clarendon Press

## **Module 2**

G.C da costa(2004), Value and Distribution in Neoclassical and Classical Systems, Himalaya Publishing House, Mumbai (Chapter 2)

Henderson A.M and Quandt R.E (1980) Microeconomic Theory: A Mathematical Approach, McGrawHill, New Delhi (Chapter 2)

Watson and Getz (1996 ), Price Theory and its Uses (revised fifth edition), AITBS Publishers, Delhi (Chapter 10)

Dominic Salvatore (2009) Principles of Microeconomics, OUP, New Delhi (Chapter 8)

## **Module 3**

Sen Anindya (1999), Microeconomics: Theory and Applications, OUP, New Delhi (Chapter 7)

Williamson O.E. (1971), The vertical integration of production: market failure considerations, American Economic Review, May

Alchian A. and Demsetz H. (1972), Production, Information costs and economic organisation, American Economic Review, LX11(5) 777-95

# **PG1ECOC02 MACROECONOMIC THEORY AND POLICY**

## **Course Description**

Since Macroeconomics would be taught in two parts (I and II), the first part would focus on the Orthodox Macroeconomic Models while the Modern trends in Macroeconomic thoughts would be dealt with in the second part. This course studies the dynamics of fundamental macroeconomic variables and interdependence between them. Basic models of macroeconomics are introduced to analyze economic fluctuation and stabilisation policies. It also touches upon other issues such as the internationalisation of macroeconomics. The primary end of the course is to enable the students to get better acquaintance with nitty –gritty of Methods and Models of Macroeconomics. There will be a special concern to critically evaluate the validity of these Models to enunciate the changes in these key macroeconomic variables in real economies.

Students are exposed to both macroeconomic theory and contemporary macroeconomic issues. The functioning of the economy as a whole is analysed from the point of view of competing schools of macroeconomic thoughts. However special accent is placed on understanding the genesis, nature and ramifications of critical issues are also analysed.

## **Student Learning Outcomes (SLOs) Assessed in this Course**

- Through successful learning of the course materials the students will be able to:
- Demonstrate a good understanding of macroeconomic principles, concepts, and theories

- Demonstrate an understanding of the macroeconomic implications of decisions made by diverse economic entities and the ability to form informed opinions about macroeconomic policies pursued by them.
- Learn to integrate theoretical knowledge to evaluate policy measures and analyse trade-off in the deployment of resources to alternative ends and the implications of those trade-offs for the different strata of the society

**Module-I: Macroeconomic frameworks.**

A. Income - Expenditure Model up to four sectors (Keynesian Cross Analysis)

B. IS-LM Model up to four sectors – Classical theory using IS-LM – Keynesian theory using ISLM – Neo-Classical synthesis - Monetary and Fiscal Policy using IS-LM-Ricardian Equivalence.

C. AD-AS Model – Keynes Effect – Pigou Effect and External effect. (30 Hours)

**References:-**

1. Lefteris Tsoufidis: (2010), Competing Schools of Economic Thought, Springer- Chs 6 & 10-11
2. Gregory Mankiw, N (2010): Macroeconomics, 7thEd, Worth Publishers Chs 10-11  
Kamran Dadkhah (2010): The Evolution of Macroeconomic Theory and Policy, Springer, Ch 4
3. Brian Snowdon and Howard R.Vane (Ed) (2003): A Macroeconomics Reader, Routledge-Part –I, Chs 2-5
4. Brendan Sheehan (2009) Understanding Keynes' General Theory, Palgrave
5. Rudiger Dornbusch, Stanley Fisher and Richard Startz (2007) 7th Ed: Macroeconomics, TMH, Chs 5 & 6
6. Brian Snowdon, Howard Vane and Peter Wynarczyk (2002): A Modern Guide to Macroeconomics: An Introduction to Competing Schools of Thought, EE, Ch2, pp42-56& pp60-77
7. Rosalind Levacic and Alexander Rebmann (2006): Macroeconomics: An Introduction to Keynesian-Neoclassical Controversies, MacMillan, Chs-1, 2, 3&4
- 8 Richard T. Froyen (2008): Macroeconomics- Theories and Policies, Pearson-Chs 6-9
- 9 Garner Ackley (1989): Macroeconomics: Theory and Policy, Collier MacMillan Chs 6-12
- 10 A.J. Westaway and T.G.Weyman Johnes (1978): Macroeconomics, Theory, Evidence and Policy, Longman-Chs- 10, 11&12
- 11 James K. Galbrith and William Darity, Jr (1994): Macroeconomics-Houghton-Part-II –Chs-4&5
- 12 Errol D'Souza (2008): Macroeconomics, Pearson. Chs 8 & 9
- 13 Andrew B. Abel and Ben S. Bernanke (2010): Macroeconomics 4thEd. Pearson- Ch 9
- 14 Farrokh K. Langdana:( 2009):Macroeconomic Policy:Demystifying Monetary and Fiscal Policy Second edition, Ch – 8&9
- 15 Olivier Blanchard (2011): Macroeconomics 4thEd- Pearson Ch-5



## **Module-II: Behavioural Foundations of Macro Economics**

A. Consumption Functions – Kuznet’s Consumption Puzzle – Fisher’s Model of Intertemporal Choice-Relative Income Hypothesis – Life Cycle Hypothesis -Permanent Income Hypothesis.

B. Investment Demand –Neo Classical, Keynesian, Post Keynesian and Neo-Keynesian Theories of Investment-(Present Value Criterion- MEC and MEI- Accelerator theory-Capital Stock Adjustment Principles- – Tobin’s q-ratio.

C. Labour Market (Classical and Keynesian) - Search Theories – DMP (Diamond, Mortenson, Pissarides) model. (40 Hours)

**References:-**1 Gregory Mankiw,N ( 2010) : Macroeconomics , 7thEd, Worth Publishers Chs 16-17

2 Rudiger Dornbusch, Stanley Fisher and Richard Startz (2007) 7th Ed: Macroeconomics, TMH,Chs- 13-14

3 Rosalind Levacic and Alexander Rebmann (2006): Macroeconomics: An Introduction to

Keynesian-Neoclassical Controversies, MacMillan-Part III-Chs -12 and 13

4 Richard T. Froyen (2008): Macroeconomics- Theories and Policies, Pearson- Ch-21

5 Garner Ackley (1989): Macroeconomics: Theory and Policy,Collier MacMillan Chs 16-19

6 A.J. Westaway and T.G.Weyman Johnes (1978): Macroeconomics, Theory, Evidence and

Policy, Longman, Chs-4, 5&6

7 Kamran Dadkhah (2010): The Evolution of Macroeconomic Theory and Policy, Springe, Ch-3

8 Errol D’Souza (2008): Macroeconomics, Pearson, Chs 3 & 4

9 Andrew B. Abel and Ben S. Bernanke (2010): Macroeconomics, 4th Ed, Pearson, Ch 4

## **Module-III: Cycles in Economic Activity**

Trade Cycles Theories – Multiplier- Accelerator Interactions Models- Samuelson-Hicks- Kaldor Political Business Cycle (William Nordhaus) - Current Global recession and crisis. (20 Hours)

### **References:-**

1. Kamran Dadkhah (2010): The Evolution of Macroeconomic Theory and Policy, Springer. Ch –8

2. A.J. Westaway and T.G.Weyman Johnes (1978): Macroeconomics, Theory, Evidence and Policy, Longman, ch-15
3. M G Mueller Ed (1988): Reading in Macroeconomics. Surjeet Publications Ch 18
4. Rudiger Dornbusch, Stanley Fisher and Richard Startz (2007) 7th Ed: Macroeconomics, TMH, pp152-155
5. Samuelson and Nordhaus William.D: Macroeconomics, TMH
6. Stanley Bober (1979 and Digital edition 2010): Economics of Cycles and Growth, Witley.

**Supplementary Readings:-1.**

- William H .Branson (2005): Macroeconomic Theory and Policy: EWP ( Chs-7,10,11,12,13,18 and 20 )
2. Robert J. Barro (1984): Macroeconomics, John Wiley (Chs-6,8,10,11,17 and 19)
  3. The Palgrave Dictionary of Economics 2Rev.Ed (2010) –Edited by Steven N.Darlauf and Lawrence E Blume Vol.1-8 ( Online Edition)
  4. Jagadesh Handa (2011) : Macroeconomics, World Scientific ( for all Modules)
  5. Eric J. Pentacoste (2002): Macroeconomics: An Open Economy Approach. Mcmillan. (Chs 4,6,7,12,13,14 and 15)
  6. Edmund S. Phelps (1990) : Seven Schools of Macroeconomic Thought:-Arne Ryde Memorial lectures , Clarendon Press
  7. Federeic S. Mishkin (2011) : Macroeconomics: Policy and Practice , Addison Wesley (For Modules 1,2,3, and 4 )
  9. O. F. Hamuda (2009) : Money, investment and Consumption: Keynes‘ Macroeconomic Rethoughts) Edward Elgar
  10. J.E.King ( Ed) (2003): Elgar Companion to Post Keynesian Economics, EE
  11. Breden Shehan (2009) : Understanding Keynes‘ General Theory , Palgrave
  12. Horld R William and John Huffnagle (Ed) (1969): Macroeconomic Theory : Selected Readings, ACC, NY
  13. M.G. Mueller (1978) : Readings in Macroeconomics , Surjeeth Publications
  13. Carl Julian Poindexter: Macroeconomics, (1982), Dryden
- For original articles browse the following sites: JSTOR, Elsevier, Sage Online, Onlinelibrary.wiley.com and library.oxfordjournals.org

**PG1ECOC03 INDIAN ECONOMY: ISSUES AND POLICIES – 1**

This paper will be taught as two half courses in semesters 1 and 2 .Whilst there could be project/ assignments and student seminar components, the main mode of teaching will be the lecture method.

## **Learning objectives**

1. To provide the students with a critical understanding of the Indian economy so that they may be able to engage meaningfully in debates regarding the country's economy
2. To help students contribute to the formulation of its policies. In order to achieve this,
3. To introduce the students to broad contours like the status, issues and policies of the Indian economy at the aggregated (macro) as well as sectoral levels.
4. To help to understand the experiences in the pre as well as post reform years, keeping the colonial experience at the background.

## **Module-1**

### **Economic Growth, Structure and Reforms**

Economic Growth in the Post- Independence Era - Emerging Structure – Contribution of Different Sectors to Output, Employment and Income- Growth across Regions/ States - National Income, Methodological Issues in Estimation- Saving and Investment, Trend and Pattern Institutions in India's Economic Growth Process, Role and Significance- State v/s Markets, Planning –Economic Reforms in the early 90s- Globalisation- Second Generation Economic Reforms – Inclusive Growth, Recent Policy Initiatives

## **Module -2**

### **Agriculture**

Performance since Independence, across Crops and Zones-Institutional Structure – Land Reforms–Farm Size and Productivity- Agriculture Inputs- Technological Change in Agriculture –Sustenance of Agriculture Growth, - Agriculture Finance, Credit, Role of Co-operatives, Agriculture Marketing, Pricing – WTO, Impact on Agriculture- Agrarian Crisis- Food Security,

## **Module -3**

### **Industry**

Growth and Pattern of Industrial Development- Industrial Stagnation, Old and New, Debates- Trends in Industrial Productivity—Industrial Financing -Industrial Policies –Privatization and Disinvestment- Cottage and Small Scale – Globalisation and Technology Transfer- SEZ

## **Module -4**

### **Service**

Sources of Service Sector Growth- Infrastructure, Physical and Social, Status and Policies --Transport - Energy – Telecommunication – Technology– Information Technology -Research and Development- - Health and Education

## **REFERENCES**

1. Aluvalia , I J and IMD Little ( Eds) (1999), India's Economic reforms and Development , Oxford University Press , New Delhi
2. Bardhan, P .K. (1999), The Political Economy of Development in India, Oxford University Press, New Delhi
3. Chakravarty S, (1987), Development Planning: The Indian Experience, Oxford University Press, New Delhi
4. Datt. R. (2001), Second Generation Economic Reforms in India, Deep and Deep Publications, New Delhi
5. Byres, Trence J (1998), The Indian Economy, Major Debates Since Independence, Oxford University Press , New Delhi
6. Acharya Shanker, Mohan Rakesh (Eds) (2011), India's Economy: Performance and Challanges, Oxford University Press, New Delhi
7. Basu Kausihik, Martens Annemie (Eds) (2011) the New Oxford Companion to Economics in India, Oxford University Press, New Delhi
8. Balakrishnan Pulpure (Eds) (2011) Economic Growth in India, History and Prospects, Oxford University Press, New Delhi

## **PG1ECOC04 ECONOMICS OF DEVELOPMENT AND GROWTH- PAPER 1**

**Preamble:** -Development economics is an exciting and challenging branch of Economics. In a fast moving global economic order there is a persistent demand to synchronize the approaches, theories and development issues for a better understanding of the problems of the developing economies. This synchronization necessitates considerable restructuring and continuous adaptation in tune with the specific socio-economic settings of these countries. The policies and programmers should empower the people to make development more sustainable and equitable. The modules incorporated here are intended to serve this purpose.

### **Learning objectives**

1. To develop conceptual clarity on the various dimensions of development and to identify the strategic factors in the development of the less developed countries.
2. Equip the student community with the theoretical and empirical material for enhancing their capability to address the basic problems confronted by the society.

3. Enable the student to evolve new strategies for achieving sustainable development and inclusive growth

### **Module I**

Placing development economics (origin) -impasse and relevance in the age of neo-liberalism- dimensions of development gap -measuring economic development -Human Development Index- Human Poverty Index- Multidimensional Poverty Index- Gender related Development Indices- alternate approaches to development- Basic needs approach -Entitlement and capability approach--human development paradigm (25 hours)

### **Module II**

Theories of economic growth - Marx and Schumpeter - Balanced and unbalanced growth -Stages of development and structural changes-Rostow's stages of growth - Kaldor's growth laws -characteristics of modern economic growth(Kuznet)-Influence of dualism and process of structural transformation- cumulative causation-International inequality- centre -periphery thesis- regional growth differences- theories of dependence and unequal exchange-measures of Poverty and inequality ( Head Count Ratio ,Poverty Gap Ratio Squared Poverty Gap ratio , Sen's Index, Foster- Greer-Thorbecke index) - (35 hours)

### **Module III**

Challenges of economic development-Human capital and development- The costs and benefits of population growth-Simon's challenge-demographic dividend- the concept of optimum population- Education and investment in human capital- gender gap in development -Informal credit markets -financial inclusion (25 hours)

### **REFERENCES**

- Ray Debraj: Development Economics, Oxford, University Press 1999
- Meier M. Gerald and Rauch: Leading issues in Economic Development Oxford University Press. (2000)

- Thirlwall. A.: Growth and Development with special Reference to developing economies Palgrave Macmillan (2009)
- Todaro M.P. D. Smith S.C: Economic development (8th Edition 2005) Person Education, Indian branch, Delhi
- Todaro M.P.: Economic development in the third World. (4th Edition 1991) Longman, Singapore.
- Dev. Mahendra. S: Inclusive growth in India-collected essays. Oxford University press, New Delhi (2010)
- Chauduri Ray, Jayasri: An introduction to Development and Regional planning with special reference to India. Orient Longman Kolkata (2001)
- Yujiro Hayami and Yoshihisa Godo: Development Economics (3rd Edn) Oxford University Press (New Delhi)
- Vandana Desai and Robert B Potter : The Companion to development studies-II edn. A hodder viva edn, Viva books Pvt Ltd. New Delhi.
- UNDP : Human Development Report, 2010 18

## **PG1ECOC05 QUANTITATIVE TECHNIQUES FOR ECONOMIC ANALYSIS – I**

### **Module I**

Matrices and their applications. Mathematical operations on matrices, determinants, minors, cofactors and inverse of matrices, solutions simultaneous equations using inverse and crammers rule. Input –Output analysis.

### **Module II**

Partial differentiation and its applications, first and second order partial derivate – total differentiation of functions of two independent variables - Economic applications of Partial differentiation on elasticity, demand.

Homogeneous function, Euler's theorem and its applications in economics and Cobb Douglas and CES production functions

### **Module III**

Integral calculus – rules of integration, indefinite and definite integrals, applications -integration as total function of economic functions from marginal functions – consumer and producer surplus

### **Module IV**

Allocation models - Linear Programming problem – formulation of LPP, Solution of LPP using Graphical and simplex method. Big M Method for solving LPP involving surplus variables -Duality in LPP its properties and its interpretation – shadow prices.

#### **• Reference Books**

- Chiang, Alpha C: Fundamental Methods in Mathematical Economics, 3rd Edition, McGraw Hill, New York, 1984
- Chiang, Alpha C., and Wainwright Kevin: Fundamental Methods of Mathematical Economics, 4th Edition, McGraw Hill, New York, 2005
- Henderson, J. M., and R. E Quant: Microeconomic Theory; A Mathematical Approach, 3rd edition, McGraw Hill, New York, 1980
- Bradley, Teresa. And Patton Paul: Essential Mathematics for Economics and Business, 2nd edition, Wiley India
- Dowling, E.T: Introduction to Mathematical Economics, 2nd edition, Schaum's Outline Series, McGraw Hill, New York, 1992
- Geoff Renshaw: Maths for Economics, 2nd edition, Oxford University Press, 2009
- Kandoi, Balwant: Mathematics for Business and Economics (Volume I), 1st edition, Himalaya Publishing House, Bombay, 2011
- P K Gupta, Manmohan and Kanti Swarup: Operations research, S Chand and Company.

## **SEMESTER II**

- 1. Microeconomics: Markets, Information And Welfare**
- 2. Advanced Macroeconomic Theory And Policy**
- 3. Indian Economy: Issues and Policies-II**
- 4. Economics Of Development And Growth- II**
- 5. Quantitative Methods For Economic Analysis- II**



# **PG2ECOC06 MICROECONOMICS MARKETS, INFORMATION AND WELFARE**

## **Objectives**

This course is intended to acquaint the student in decision making in the context of market interdependence, complexity, uncertainty and informational asymmetry; give insights into developments in the areas of general equilibrium and welfare economics; and to equip the student to apply microeconomic principles in the areas of exchange and welfare.

## **Learning Outcome (Module1)**

- Develops skill in formulating business strategy in the context of market imperfections
- Develops skill in using game theory models in decision making
- Learns to use the concept of price elasticity in calculating marginal revenue
- Acquires knowledge of reaction curve approach and its application in other branches of economics

## **Learning Outcome (Module2)**

- The student develops the understanding of the economic level of information search possible under different situations and the concept of bounded rationality
- Learns why inefficiencies and social costs arise in imperfect markets in the context of adverse selection, moral hazard and principal agent problem
- Learns the institutional arrangements in the society to overcome asymmetric information and Develops skill in designing incentive mechanism under information asymmetry

## **Learning Outcome (Module3)**

- Understand the basic theory of distribution and the source of income generation.
- Learns the dynamics of capital market
- Enables to know the sharing of the national cake with an ideological tinge

## **Learning Outcome (Module4)**

- Develops the skill to understand the interdependence and complexity of the economic system
- The study of the general equilibrium framework equips the student to analyse the impact of micro decisions on macro instability
- Develops skill in applying compensation principle under situations where a proposed change causes damage to someone but gains to others
- The students will be taken to the philosophical level of equity and justice

## **Module 1 Oligopoly (25 Hours)**

An overview of Traditional collusive oligopoly models (cartel and mergers- Price leadership) –Modern collusive models-limit pricing model of Bain- Contestable market theory of Baumol Noncollusive Oligopoly models (Cournot, Bertrand, Chamberlin, Stackelberg)- Average cost pricing theory of Hall and Hitch-Game theory(zero sum game –non zero sum game-Nash equilibrium- Prisoner’s dilemma, repeated games )

**Module 2: Alternate Theories of the firm and Economics of information (25 hours)**

Critique of the classical theory of the firm - The entrepreneurial firm -Managerial theories of Baumol Marris and Williamson - Behavioural theory of Cyert and March– Labour Managed firms Market failure -markets with asymmetric information- market for lemons -moral hazard-adverse selection-agency theory (principal agent problem)- market signaling- Economic Theory of property rights-Coase theorem and property rights

**Module 3 Theory of Distribution (18 hours)**

Marginal productivity theory and product exhaustion problem-Macro theories of distribution Ricardo-Marx- neoclassical -Kalecki – Kaldor

**Module 4 General Equilibrium and Welfare Economics (22 Hours)**

Partial and general equilibrium -2x2x2 model of general equilibrium- New Welfare Economics Compensation criteria of Hicks, Kaldor, Scitovsky and Little- Social welfare function of Bergson and Samuelson -theory of second best-Arrow’s impossibility theorem-Sen’s theory of welfare Rawls’ welfare concept -Easterlin Paradox

**Basic Reading**

Pindyck and Rubinfeld(2006), Microeconomics, Prentice Hall of India Ltd, New Delhi(Chapter 12,13,16,17)

Koutsoyiannis A. (1979), Microeconomic Theory (2nd edition), Macmillan(Chapter 9 to 19, 22, 23)

Varian H. (2000), Intermediate Microeconomics: A modern Approach (5<sup>th</sup> Edition) Affiliated East West Press Private Limited (Chapter, 27, 28, 36)

Gravelle H. and R.Rees (2004), Microeconomic s, Pearson London (Chapter 13, 22)

**Additional Reading**

**Module 1**

G.C da Costa (2004), Value and Distribution in Neoclassical and Classical Systems, Himalaya Publishing House, Mumbai (Chapter 5)

Stigler G. (1996), Theory of Price (4th Edition), Prentice Hall India, New Delhi

Sen Anindya(1998), Microeconomics-Theory and Applications, OUP, New Delhi(Chapter 11)

B.Douglas Bernheim and Michael D.Whinston(2009), Microeconomics, Tata McGraw-Hill New Delhi(Chapter 19)

## **Module 2**

N.G.Mankiw (2009), Economics Principles and Application, Cengage Learning, Printed in India (Chapter 1)

Ferguson and Goulds (2000), Microeconomic Theory (6<sup>th</sup> edition), Richard Irvin, All India Traveller Delhi (Chapter 19)

Maria Moschandreas (1994), Business Economics, Routledge Publishers (1994)(Chapter 3,4,10)

Robert M.Frank (1991), Microeconomics and Behaviour, McGraw Hill International Editions (Chapter 14, 16, 19, 20)

Sen Anindya (1998), Microeconomics-Theory and Applications, OUP, New Delhi (Chapter16)

B.Douglas Bernheim Aand Michael D.Whinston (2009), Microeconomics, Tata McGraw-Hill New Delhi (Chapter 20, 21)

Andreu Mas-Colell,Michael D.Whinston and Jerry R.Green(1995),OUP,New York(Chapter13,14)

## **Module 3**

G.C da costa (2004), Value and Distribution in Neoclassical and Classical Systems, Himalaya Publishing House,Mumbai (Chapter 12)

Baumol W.J. (1985), Economic Theory and Operations Analysis (4<sup>th</sup> edition), Prentice Hall, New Delhi (Chapter 24)

Dobb M. (1979) Theories of Value and Distribution Since Adam Smith, Vikas Publishers, NewHelhi(Chapters3,4,6)

Robert M.Frank (1991) Microeconomics and Behaviour, McGraw Hill International Editions (Chapter 17)

## **Module 4**

Watson and Getz (1996), Price Theory and its Uses (fifth revised edition), AITBS Publishers, Delhi Chapter 23)

Andreu Mas-Colell,Michael D.Whinston and Jerry R.Green(1995),OUP,New York(Chapter21)

John M.Gowdy (2011), Micro Theory Old and New: A students' Guide, Orient Blackswan Pvt Ltd New Delhi (Chapter 7)

B.Douglas Bernheim and Michael D.Whinston (2009), Microeconomics, Tata McGraw-Hill New Delhi (Chapter 16)

Mishan E.J (1969), Welfare Economics: An Assessment, North Holland, Amsterdam Little I.M.D.(1957),Critique of Welfare Economics(2<sup>nd</sup> edition) OUP, Oxford

Sen Amartya ( 1982),Choice Welfare and Measurement, OUP, New Delhi

Thomas J. Nechyba(2011), Microeconomics: An Intuitive Approach, South Western Cengage Learning(Chapter 29)

Nick Powdthavee(2010),Happiness Equation: The Surprising Economics of our most Valuable Asset,Icon Book, London(Distributed by Penguin India),(Chapter 2 and 3)

# **PG2ECOC07 ADVANCED MACROECONOMIC THEORY AND POLICY**

## **Module-I: Theory of Inflation and Unemployment**

A. Classical, Keynesian and Monetarist Approach to Inflation – Structuralist Theory of Inflation – Inflation targeting.

B. Phillips Curve – Short run and Long run Phillips Curve – The Natural Rate of Unemployment– Adaptive Expectation Hypothesis – Augmented Phillips Curve- – Tobin’s Modified Phillips Curve – NAIRU-Cost of Inflation- Anti-inflationary Measures. (20 Hours)

### **References:-**

1. Gregory Mankiw, N (2010): Macroeconomics, 7thEd, Worth Publishers Ch-13.2
2. Kamran Dadkhah (2010): The Evolution of Macroeconomic Theory and Policy, Springer, Ch- 4
3. Rudiger Dornbusch, Stanley Fisher and Richard Startz (2007) 7<sup>th</sup> Ed: Macroeconomics, TMH-ch-6
4. Rosalind Levacic and Alexander Rebmann (2006): Macroeconomics: An Introduction to Keynesian-Neoclassical Controversies, MacMillan-Chs-18 & 20
5. Richard T. Froyen (2008) L: Macroeconomics- Theories and Policies, Pearson-Ch-11
6. Garner Ackley (1989): Macroeconomics: Theory and Policy, Collier MacMillan, Chs 13-15
7. A.J. Westaway and T.G.Weyman Johnes (1978): Macroeconomics, Theory, Evidence and Policy, Longman, Ch-16
8. Andrew B. Abel and Ben S. Bernanke (2010): Macroeconomics 4thEd. Pearson, Ch 12
9. Olivier Blanchard (2011): Macroeconomics 4<sup>th</sup> Ed- Pearson, Ch-8
10. Errol D’Souza (2008): Macroeconomics, Pearson, Ch-7

## **Module-II: Modern developments in Macroeconomics – Classical School.**

A. Monetarism –Monetarist-Fiscalist debate on Policy Activism (Rules versus discretion) -Taylor’s Rule

B. New Classical Macroeconomics:

i. Rational Expectations Hypothesis – Monetary surprise model – Inter-temporal substitution model – Ineffectiveness proposition – Lucas critique.

ii. Supply Side Economics- Supply Shocks and Stagflation- Laffer Curve - Policy Implications.

- iii. Real Business Cycle Theory.
- iv. The Dynamic Stochastic General Equilibrium model. (35 Hours)

**References:-**

1. Lefteris Tsoufidis : (2010), Competing Schools of Economic Thought, Springer, Chs-13, 14 &15
2. Brian Snowden and Howard R.Vane (Ed) (2003): A Macroeconomics Reader, Routledge, Part-II, Chs 7-10, Part III, Chs 11-13 & 17-18.
3. Brian Snowden, Howard Vane and Peter Wynarczyk (2002): A Modern Guide to Macroeconomics: An Introduction to Competing Schools of Thought, EE-Chs-4, 5&6.
4. Richard T. Froyen (2008): Macroeconomics- Theories and Policies, Pearson-Chs-10,12&13.
5. Farrokh K. Langdana:( 2009):Macroeconomic Policy: Demystifying Monetary and Fiscal Policy . Second edition, Ch -10
6. James K. Galbrith and William Darity,Jr (1994): Macroeconomics-Houghton-Chs-7,8 & 9
7. Ben J. Heijdra Frederick van der Ploeg (2002): Macroeconomics OUP, Ch 15
8. Gregory Mankiw,N ( 2010) : Macroeconomics , 7thEd, Worth Publishers, Ch-17
9. 10. Kamran Dadkhah (2010) :The Evolution of Macroeconomic Theory and Policy, Springer, Chs 7 & 8
10. Rudiger Dornbusch, Stanley Fisher and Richard Startz (2007) 7<sup>th</sup> Ed: Macroeconomics, TMH – Ch- 8 pp158-177
11. Rosalind Levacic and Alexander Rebmann (2006): Macroeconomics: An Introduction to Keynesian-Neoclassical Controversies, MacMillan,Ch- 19
12. Garner Ackley (1989): Macroeconomics: Theory and Policy,Collier MacMillan
13. A.J. Westaway and T.G.Weyman Johnes (1978): Macroeconomics, Theory, Evidence and Policy, Longman
14. Andrew B. Abel and Ben S. Bernanke (2010): Macroeconomics 4thEd. Pearson, Chapter 10.

**Module-III: Modern developments in Macroeconomics – Keynesian School.**

- A. Neo-Keynesianism - Disequilibrium Models - R. W. Clower and Leijonhufvud – Dual Decision Hypothesis–Quantity Constrained Model of Malinvaud and Barro - Coordination Failure.
- B. Fundamental arguments of Post – Keynesians – Kalecki’s Pricing Model – Financial Instability model of Hymn Minsky.
- C. New Keynesian Macroeconomics- Normal Rigidities- Real Rigidities- Sticky Price(Menu Cost) Model- Efficiency Wage Hypothesis - Insider- outsider Model and Hysteresis- Coordination Failure - Policy Implications.  
(35 Hours)

**References:-**

1. Rosalind Levacic and Alexander Rebmann (2006): *Macroeconomics: An Introduction to Keynesian-Neoclassical Controversies*, MacMillan, Ch-17
2. Brian Snowdon, Howard Vane and Peter Wynarczyk (2002): *A Modern Guide to Macroeconomics: An Introduction to Competing Schools of Thought*, EE-Ch-3 pp109-123
3. Lefteris Tsoulfidis (2010): *Competing Schools of Economic Thought*, Springer, Chs-12&16.
4. Ben J. Heijdra Frederick van der Ploeg (2002): *Macroeconomics*, OUP, Chs- 5&13.
5. Ott, D.J, Ott, A.E and Yoo J.H (1975): *Macroeconomic theor*, Mc GrawHill Chs 17-19
6. M.J.C. Surrey (1976): *Macroeconomic Themes*, Wily Eastern- Ch-9
7. Gregory Mankiw,N ( 2010) : *Macroeconomics* , 7thEd, Worth Publishers, Ch-19
8. Brian Snowdon and Howard R.Vane (Ed) (2003): *A Macroeconomics Reader*, Routledge, Part-V, Chs-7&19-22
9. Rudiger Dornbusch, Stanley Fisher and Richard Startz (2007) 7<sup>th</sup> Ed: *Macroeconomics*, TMH, Ch-8 pp-180
10. Rosalind Levacic and Alexander Rebmann (2006): *Macroeconomics: An Introduction to Keynesian-Neoclassical Controversies*, MacMillan
11. Richard T. Froyen (2008)L: *Macroeconomics- Theories and Policies*, Pearson,Ch-13 pp311-316
12. Andrew B. Abel and Ben S. Bernanke (2010): *Macroeconomics*, 4<sup>th</sup> Ed. Pearson, Ch- 11
13. James K. Galbrith and William Darity,Jr (1994): *Macroeconomics-Houghton*,Ch-10.

**Supplementary Readings:-**

1. William H .Branson (2005): *Macroeconomic Theory and Policy: EWP* (Chs-7, 10, 11,12,13,18 and 20)
2. Robert J. Barro (1984): *Macroeconomics*, John Wiley (Chs-6,8,10,11,17 and 19)
3. *The Palgrave Dictionary of Economics 2Rev.Ed* (2010) –Edited by Steven N.Darlauf and Lawrence E Blume Vol.1-8 (Online Edition)
4. Jagadesh Handa (2011): *Macroeconomics*, World Scientific ( for all Modules)
5. Eric J. Pentacoste (2002): *Macroeconomics: An Open Economy Approach*, Mcmillan. (Chs 4, 6, 7,12,13,14 and 15)
6. Edmund S. Phelps (1990) : *Seven Schools of Macroeconomic Thought:-Arne Ryde Memorial lectures* , Clarendon Press
7. Federeic S. Mishkin (2011) : *Macroeconomics: Policy and Practice* , Addison Wesley (For Module 1)

8. O. F. Hamuda (2009) : Money, investment and Consumption: Keynes' Macroeconomic Rethoughts, Edward Elgar
  9. J.E.King (Ed) (2003): Elgar Companion to Post Keynesian Economics, EE
  10. Breden Shehan (2009): Understanding Keynes' General Theory, Palgrave
  11. Horl R William and John Huffnagle (Ed) (1969): Macroeconomic Theory: Selected Readings, ACC, NY
  12. M.G. Mueller (1978): Readings in Macroeconomics, Surjeeth Publications
- For original articles browse the following sites: JSTOR, Elsevier, Sage Online, Onlinelibrary.wiley.com and library.oxfordjournals.org

## **PG2ECOC08 INDIAN ECONOMY: POLICIES AND ISSUES- II**

### **Module -1**

#### **Population and Employment**

Population- Growth Pattern, Implications- Rural Urban Migration –Population Policies, Census 2011- Trends in Employment – Unemployment, Nature and Policies- Recent Employment Guarantee Programmes- Changing Nature of Labour Market, Reforms

### **Module -2**

#### **Social Aspects**

Recent Trends in the State of Social Aspects, their Implications and Policies -Poverty- Inequality Regional imbalances- Child Labour- Gender- Caste-- Governance, Corruption- Environment Natural Resources=Adivasis, Rights to Forests

### **Module -3**

#### **Fiscal, Financial and External Sector/ Issues**

Fiscal Deficit, Trend and Significance- Fiscal Policies- Critical Appreciation – Central-state Fiscal Relationships, Thirteenth finance Commission, Major Recommendations - Recent Budgets (2 to 3 years)- Parallel Economy— Financial System, Banking and Insurance – Capital markets -Critical Appraisal of Monetary and Financial Sector Reforms – Financial Inclusion- Analysis of Price Behavior, Inflationary Trends- Petroleum Product Pricing- Structure and Direction of India's Foreign Trade- Balance of Payments, Post 90 Trends- Exchange Rates, Trends – Policies

### **Module – 4**

#### **Kerala Economy**

Growth and Structure- Agriculture Performance , Major Challenges in Agriculture Industrial Growth- Globalisation (WTO, ASEAN) and Kerala,s Agriculture- Industrial Backwardness- Hypotheses - Policies- Service Sector, Sources of Growth-

Construction, Tourism, Trade, Transport, Energy- Information Technology- Migration, Dimension, Impact –Human Resources Development-Emerging Issues, Policies- Unemployment- Environment Degradation Fiscal crisis

## **REFERENCES**

1. Mahendra K Premi (2009), India's Changing Population Profile, National Book Trust, New Delhi
2. Radhakrishna R , Shovan Roy ( Eds)( 2005) Handbook of Poverty in India, Oxford University Press , New Delhi
3. Jayaraj D, Subramanian S (2010) Poverty, Inequality and Population, Oxford University Press , New Delhi
4. Reethika Khera (2011) The Battle for Employment Guarantee, Oxford University Press , New Delhi \
5. Amartya Sen (2001) Development as Freedom, Oxford University Press , New Delhi
6. Amartya Sen, Jean Dreze (2005) India – Development and participation Oxford University Press , New Delhi
7. Aswini Deshpande (2011) The Grammar of Caste, Oxford University Press , New Delhi
8. Sivaramakrishnan KC, Amitabh Kundu Handbook of Urbanisation Oxford University Press , New Delhi
9. Y V Reddy (2011) Global Crisis, Recession and Uneven Recovery, Orient Blackswan, New Delhi
10. Mahendradev S (2010) Inclusive Growth in India Oxford University Press , New Delhi
11. Bhavani T A, Bhanumurthy N R,(2011), Financial Access in Post Reform India, Oxford University Press , New Delh
12. Mohan Rakesh ( Eds) (2011), Growth with Financial Stability, Oxford University Press , New Delhi
13. Mihir Rakshit (2010) Money and Finance n the Indian Economy, Oxford University Press, New Delhi
14. George K K (1999), Limits to Kerala Model of Development, CDS, Trivandrum.
15. Sunil Mani, Anjii Kochar, Arun M Kumar, Crouching Tiger, Sacred Cows, D C Books, Kottayam



## **PG2ECOC09 ECONOMICS OF DEVELOPMENT AND GROWTH- PAPER II**

### **Module I**

Classical Model of Growth - Harrod- Domar and Solow model of growth and convergence - New endogenous growth theory and macroeconomic determinants of growth mechanisms of catch up - Choice of technique- Intermediate technology- Vintage capital -Domestic and foreign sources of capital- -Lewis and Fei- Ranis-models- Todaro model (35 hours)

### **Module II**

Trade and development-Static and dynamic gains from trade-Trade liberalization- Exports and growth-Alternative approaches to trade in developing countries- Prebisch-Singer theses and export pessimism- export led growth- Neo Classical supply side model-BOP constrained growth model and virtuous circle model- Trade liberalization and poverty reduction in developing countries- (30 hours)

### **Module III**

Cost- benefits analysis- shadow prices and project evaluation-Investment criteria-Total factor productivity and growth. Uses of Input-output analysis and linear programming in development planning (25 hours)

### **REFERENCES**

- Ray Debraj : Development Economics, Oxford, University Press 1999
- Meier M. Gerald and Rauch : Leading issues in Economic Development Oxford University Press. (2000)
- Thirlwall. A. : Growth and Development with special Reference to developing economies Palgrave Macmillan (2009)
- Todaro M.P. D. Smith S.C : Economic development (8th Edition Person Education, Indian branch, Delhi

- Todaro M.P. : Economic development in the third World. (4th Edition 1991) Longman, Singapore.
- Dev. Mahendra. S : Inclusive growth in India-collected ess Oxford University press, New Delhi (2010)
- Chauduri Ray, Jayasri : An introduction to Development and Regional planning with special refere India. Orient Longman Kolkata (2001)
- Yujiro Hayami : Development Economics (3rd Edn) And Yoshihisa Godo Oxford University Press (New Delhi)
- Vandana Desai and : The Companion to development Robert B Potter studies-II edn.
- A hodder viva edn, Viva books Pvt Ltd. New Delhi.
- UNDP : Human Development

## **PG2ECOC010 QUANTITATIVE TECHNIQUES FOR ECONOMIC ANALYSIS – II**

### **Module I**

Random variables and distributions- Random variables- Discrete and continuous types, probability density function and its properties- expectation, moments. Standard distributions –binomial, normal and lognormal (Computation of probability of events using Binomial and Normal distributions) - Central limit theorem (without proof) and its applications

### **Module II**

Sampling distributions - Statistic, sampling distribution – standard error and its uses – Distribution of sample mean, chi-square, t, F distributions – Examples of statistics following these distributions and uses of these sampling distributions – their uses

### **Module III**

Estimation - Parameter estimation – point and interval estimation, properties of a good estimate –confidence interval for mean of a population using small and large samples.

### **Module IV**

Testing of hypothesis – testing, simple and composite hypothesis - null and alternative hypothesis -Type I and Type II errors, significance level and power, concept of P value in testing, test procedure Testing the mean of a population ( large and small

sample ), Testing the difference between two means of independent and paired samples, testing the proportion of a population, testing the equality of variances of two populations, testing the independence of two attributes and goodness of fit using chi-square.

### **Reference Books**

1. Lind A Douglas., Marchal G William and Wathen A Samuel: Basic Statistics for Business and Economics, 5<sup>th</sup> Edition, McGraw Hill International Edn
2. Mendenhall William., Beaver J Robert and Beaver M Barbara: Introduction to Probability and Statistics, 12<sup>th</sup> Edition, Thomson Brooks/Cole Publishers
3. Gupta S C and Kapoor V K: Fundamentals of Mathematical Statistics, 11<sup>th</sup> Edition, Sulthan Chand and sons, New Delhi
4. Ross S: A first course in Probability, 3<sup>rd</sup> edition, Mac Millan New York 1985

## **SEMESTER III**

- 1. International Trade Theory And Policy**
- 2. Public Economics**
- 3. Research Methods In Economics**
- 4. Economics of Environment And Social Sector**
- 5. Elective from Set 1**

## **PG3ECOC011 INTERNATIONAL TRADE THEORIES AND POLICY**

### **Specific Objectives**

The course provides a deep understanding about the broad principles and theories which tend to govern the free flow of trade in goods, services and capital –both short term and long term –at the global level. Besides preparing the students about the relevance and limitations of these principles, the contents of the paper spread over different modules lay stress on the theory and nature of the subject which, in turn, will greatly help them to examine the impact of trade policies followed both at national and international level.

### **Module – I**

Comparative cost advantage theory – Reciprocal demand theory – Opportunity cost analysis – Heckscher-Ohlin theorem – Factor-price equalisation theory –Leontieff paradox- Kravis and Linder theory of trade- Causes of emergence and measurement of intra industry trade and its impact on developing economies. - Technology gap theory – Product Life cycle theory. (30Hrs)

### **Module – II**

The effect of growth on trade – immiserising growth – Rybczynski theorem – Technical progress and trade – neutral, capital saving, labour saving (15Hrs)

### **Module – III**

Free trade and protection- effects of tariff – Stolper-Samuelson theorem –Optimum tariff – Effective Rate of Protection – Quotas and other Non-Tariff Barriers. (20Hrs)

### **Module – IV**

Economic Integration – Theory of Customs Union – Partial and General equilibrium analysis – dynamic effects – European Union – Integration among developing countries- South Asian Association of Regional Co-operation (SAARC), Association of South East Asian Nations (ASEAN) (25 Hrs)

## Reference

1. Dominic Salvatore. —International Economics, Prentice Hall(1998)
2. Bo Sodersten and Geoffrey Reed, —International Economics, Macmillan(2008)
3. Paul. R. Krugman and Maurice Obstfeld —International Economics, Pearson Education (2009), Dorling Kindersley (India) Pvt. Ltd.
4. Kindleberger, C.P —International Economics, R.D. Irwin, Homewood
5. Bhagwati, J.N(Ed), ‘\_International Trade: Selected Readings’, MIT press, 1987.
6. K.C Rana and K.N Verma —International Economics, Vishal publishing Co. (2012)
7. Francis Cherunilam —International Economics, McGraw-Hill Education (2008)
8. Appleyard and Field —International Economics
9. Appleyard and Field —International Trade Theory and Policy.
10. Richard .E.Caver and Harry .G.Johnson, Readings in International economic
11. Corden .W.M —Recent developments in the theory of international trade, Princeton University press, Princeton.
12. Aggarwal .M.R. —Regional Economic Cooperation in South Asia, S.Chand and Co, New Delhi.
13. Kenen.P.B., Economic and Monetary Union in Europe, Cambridge University Press .UK

## PG3ECOC012 PUBLIC ECONOMICS

The learning objective of this paper is to impart to the students a thorough understanding of the role and functions of the Government in a modern economy. The government performs functions different from those of earlier societies in the new liberalized era.

### Learning Outcomes

1. To acquaint the students with the issues relating to the role of Government in the changing era and the justification for Government intervention.

2. To introduce to the students the nature and theories of Public Goods.
3. To familiarize the students with the various aspects of the theory of Public Choice
4. To make the students aware of the recent trends in taxations and budgetary policy..

### **Module-1 Role of Government and Rationale for Public policies**

Pareto optimality - market failure (causes) and rationale for government intervention- Role of Govt. in organized society - Changing perspectives - Public sector and private sector co-operation or competition - Budget as a means of operationalizing the planning process – Govt. failure.

Contact hours -15

### **Module -II : Theory of Public goods**

Public goods-Pure and Impure public goods, Merit goods, Local public goods - Provision of Public goods -Voluntary exchange models - Samuelson's contribution . Public goods and Market failure the Free rider problem- Efficiency condition for public goods

Contact hours- 20 hours

### **Module –III: Public choice**

Private and Public mechanisms for allocating resources-problems of preference revelation and aggregation - voting system - Arrows Impossibility Theorem - An economic theory of democracy Politico economic interactions – Pressure groups, & Interest groups - bureaucracy - Rent seeking and Directly unproductive profit seeking(D UP)activities.

Contact hours- 20

### **Module –IV Fiscal Policy and Taxation**

Fiscal policy for Stabilization- Keynesian case-Compensatory Finance- Functional Finance Balanced Budget Multiplier - Social goals: Poverty alleviation, Provision of infrastructure facilities, correcting distributional inequalities and Regional imbalances- Fiscal policy in LDCS like India.

Theories of Taxation- Benefit and ability to pay approaches - Theory of optimal taxation -Trade off between equity and efficiency - Theory and measurement of dead weight losses Modern Theory of incidence - Tax Reforms in India, Chelliah Committee Report – Kelkar committee report I &II -Recent-trends-DTC-Incidence of Major taxes in India - VAT - CENVAT-GST. Issues of subsidies in India and black money

Contact hours. – 35

## **References**

### **Module I**

1. J. E. Stiglitz - Economics of Public Sector. Norton (1986)
2. Richard A. Musgrave (1989), Public Finance in Theory and Practice McGraw Hill Book Company, New York
3. Duff L. (1997), Government and Market, Orient Longman, New Delhi.
4. R. Goode Govt. Finance in Developing countries Tata Mc Graw Hill (1986)
5. Atkinson A and J Stiglitz Lectures in Public Economics MC Graw Hill 1980
6. Meir .G.M and Rauch, Leading issues in economic development, OUP (2000)
7. Bailey, S.J Public Sector Economics, Macmillan (2004)
8. Pogu T F and L.G Sgontz Government and Economic Choice, an Introduction to Public Finance, Hengton Mul Boston

### **Module II**

1. R Cornes and T, Sandler The Theory of externalities Public Goods and Club goods Cambridge University Press-1986
2. Jha .R Modern Public Economics, Routledge, London (1999)
3. Mishan E.J Introduction to Normative Economics, OUP (1986)
4. Quick.J and R.Sapanick Introduction to General Equilibrium theory and Welfare Economics, Mc Graw Hill, New York (1968)
5. Singh S K Public Finance in Developed and Developing Countries, S. Chand and Company Ltd, New Delhi (1986)
6. Rosan S Harve Public Finance ,Irwin Publications in Economics, USA
7. Boadway R and Bruce Welfare Economics-Basil Black well Oxford (1984)
8. Richard A. Musgrave Public Finance in Theory and Practice McGraw Hill Book Company, New York (1989),

### **Module III**

1. J. E. Stiglitz Economics of Public Sector. Norton (1986)
2. A Downs An Economic Theory of Democracy. Harper and Row (1957)
3. D.C Muller Public Choice. Cambridge University Press (1979)
4. Friedman A. Welfare Economics and Social Choice Theory Martins Nighoff, Boston (1986),.
5. K J Arrow Social choice and Individual values, John Willy
6. J M Buchanan The Public finance .Irwin (1970)
7. Niskanen William: Bureaucracy and Public Economic, Edward Elgar,.1995
8. D.C Muller Public Choice. Cambridge University Press (1979)
8. Bhagawati. J.N. Directly Unproductive Profit seeking (D UP) activities. JPE
9. Richard A. Musgrave Public Finance in Theory and Practice McGraw Hill Book Company, New York, (1989)
10. Cullis J and P.Jones Public Finance and Public Choice, OUP .1998



11. Mohamed S and J Whalley. Rent seeking activities in India: its cost policy & Significance – Kykhas

#### **Module IV**

1. R.Goode Govt. Finance in Developing countries Tata Mc Graw Hill (1986)
2. Musgrave and Musgrave Public Finance in Theory and Practice Mc Graw Hill (1976)
3. Kelkar, Vijiay L & V V Bhanoji Rao India- Development Policy Imperatives, Tata Mc GrawHill Publishing co. Ltd., 1996
4. L J Ahluwalia and IMD Little India's Economic Reforms and development: (Ed.) Oxford University Press Delhi-1998
5. Chelliah, R J (Ed) (1997), Towards Sustainable Growth, Oxford University Press, New
6. Bird, R. and O. Oldman Readings on Taxation in Developing Countries, the John Hopkins University Press Baltimore (1967),
7. AEA Series Readings in Economics of Taxation (1981)
8. Buitter , W. H. Principles of Budget and Fiscal Policy, MIT Press (1990)
9. David, N and Nicholas, S. The Theory of Taxation for developing Countries. OUP (Eds) (1987).
10. J. E. Stiglitz - Economics of Public Sector. Norton (2005)

### **PG3ECOC013 RESEARCH METHODS IN ECONOMICS**

#### **Preamble**

The economic aspects of human life assume greater significance in a world sans frontiers. Research in Economics is at once exciting and challenging because it is a living and breathing process of enquiry. The methods guide the researcher to understand and appreciate the social and economic reality in an objective way. It is expected to generate the capability to develop a broader understanding and analysis of social and economic issues using appropriate methods tools and techniques.

#### **Learning objectives**

- To provide the students basic knowledge about the social science research and its relevance in tackling real issues of the society
- Create an enabling environment to identify research issues and to develop scientific approach in the analysis of social problems
- Familiarize with the methods of collection analysis and interpretation of data

- Acquire the ability to derive and organize conclusions from empirical works for offering concrete solutions to various socio-economic problems.

### **Module I -Preliminaries**

Meaning and definition of research- classification of research(pure, applied, exploratory, descriptive, historical, diagnostic, experimental, qualitative, quantitative) - importance, applications and limitations of social science research- interdisciplinary and trans-disciplinary approaches Statistics and information -communication technology in research- Basic elements of the scientific method- theory and research- the meaning of methodology ( Contact hours 30 )

### **Module II- Research problem and design**

An overview of the different steps in research process-selection of the topic and formulation of the research problem in Economics with illustrations- review of literature- Research design, features of a good design-different research designs for exploratory, descriptive, diagnostic and experimental research ( Contact hours 20 )

### **Module III -Collection and analysis of data**

Sample design- probability and non probability sampling- complex random sampling designs Methods of collecting primary data- questionnaire and schedules-sources of secondary data on Indian economy- case study method -processing of data-sources of hypothesis-Testing of hypothesis – procedure for testing hypothesis-one tailed and two tailed tests – basics of the important parametric and non-parametric tests- basic awareness of SPSS ( Contact hours 30 )

### **Module IV- Interpretation and preparation of the report**

Interpretation, drawing conclusions and reporting it-Structure of the research report- Types of reports- Methods of footnotes and referencing (Contact hours 10)

### **REFERENCE**

1. William J Goode and Paul K Hatt,1981 Methods in social Research, McGraw- Hill
2. Wilkinson and Bhandarkar,2002 Methodology and Techniques of Social Research, Himalaya
3. Marc Blaug The Methodology of Economics, or How Economics Explain, Cambridge University
4. C R Kothari, 2004 Research Methodology, Methods and Techniques, New Age International
5. W Lawrence Neuman ,2006 Social Research Methods, Quantitative and Qualitative Approaches, Pearson

6. Laxmi Devi ( Edited),1997 Encyclopedia of Social Science Research, Anmol Publications
7. Pauline V Young : Scientific Social Surveys and research Prentice Hall India Pvt Ltd
8. Modern Language The MLA Handbook for Writers of Association of America, 2009 Research Papers
- 9 P.S Mohanakumar(Edited),1998 : A Handbook on Research Methodology. Right Publishers, Kudavechoor

## **PG3ECOCO14 ECONOMICS OF ENVIRONMENT AND SOCIAL SECTOR**

### **Preamble**

The course intends to develop a vision and achieve a mission of attaining a sustainable society by studying the subject of environmental economics. The students are expected to understand the historical and philosophical foundations of the subject along with equipping themselves with the most modern theoretical concepts and tools of analysis.

### **Learning Objectives**

1. To make the students understand the philosophical and historical roots of environment and development
2. To know the theoretical foundations of environmental economics
3. To facilitate the optimum use of natural resources in production and consumption
4. To understand the theory and practice of Sustainable development
5. To become familiar with the impacts of environment on health and promote environmental education
6. To highlight the international treaties and conventions for protecting the environment while promoting development

### **Module 1**

A Holistic Approach towards Environment and Economics From partial analysis to holistic study-man-nature relationship - a historical perspective population explosion-over population-large scale technology - over production-over consumption - depletion of natural resources and scarcity - pollution of environment-nature, scope and definition of environmental economics. 20 Hrs.

### **Essential readings**

1. Fritjof Capra, 1984, The turning point, Flamingo Publishers, London. Ch. 1, 3.7 and 3.8
2. Herman Khan, 1980, World Economic Development, Vikas Publishing House, Delhi.
3. Charles D Kolstad, 2006, Environmental Economics, OUP, New York. Ch.1 and 2
4. Katar Singh and Anil Shishodia, 2007, Environmental Economics Theory and Practice, Sage Publications, New Delhi. Ch. 13
5. Nick Hanley ET al.2009, Environmental Economics in Theory and Practice, Palgrave Macmillan, New York. Ch.6.

### **Further readings**

1. E.F Schumacher, 1990, Small is beautiful, Rupa and co Publishers, New Delhi.
2. Rachel Carson, 1962, The Silent Spring, Other India Press, Goa.
3. T V Muralivallabhan, 2005, Dimensions Sustainable Economic Development, Unma Publications, Nooranad, Kerala. Ch. 2
4. World Watch Reports, World Watch Institute

### **Module 2: Linkages between Economy and Environment**

Inter-linkages between economy and environment. Material balance model - law of thermodynamics and entropy. Welfare economics, efficiency and competitive markets -market failure-theory of public goods and externality, - Pigou and Coase theorem-Common pool resources - Tragedy of commons. 25 Hrs.

### **Essential readings**

1. Thomas and Callan, 2007, Environmental Economics, Thomas South-Western. Ch.2, 3 &4.
2. Katar Singh and Anil Shishodia, 2007, Environmental Economics Theory and Practice Sage Publications, New Delhi. Ch. 1, 2 and 4.
3. Rbindra N Bhattacharya 2007, Environmental Economics an Indian Perspective, OUP, New Delhi. Ch.1 and 2
4. Nick Hanley ET al.2009, Environmental Economics in Theory and Practice, Palgrave Macmillan, New York. Ch.1 and 3.
5. Charles D Kolstad, 2006, Environmental Economics, OUP, New York. Ch. 4, 5 and 6
6. Ulganathan Sanker, 2009, Environmental Economics, OUP, New Delhi.Ch.6.
7. Fisher A.C, 1981, Resource and environmental Economics, Cambridge University Press, Cambridge.
8. Baumol, 1988, Theory of environmental policy, (2<sup>nd</sup> edn.) Cambridge University Press, Cambridge.

### **Module 3 Resource Economics and Sustainable development**

Natural Resources-uses and types -resource scarcity-optimum use-criteria-environmental accounting-integration of environmental accounts with the system of national accounts - Green GNP. Environmental Impact Assessment (EIA). Sustainable development-inter and intra generational equity-concepts and indicators of sustainable development-measuring sustainable development-strong and weak sustainability-strategies of sustainability - environmental Kuznets curve hypothesis. 25 Hrs.

#### **Essential readings**

1. Katar Singh and Anil Shishodia, 2007, Environmental Economics Theory and Practice, Sage Publications, New Delhi. Ch. 4,5 and 6.
2. Rbindra N Bhattacharya 2007, Environmental Economics an Indian Perspective, OUP, New Delhi. Ch.4 and 5.
3. N. Das Guptha, 1997, Environmental Accounting, Wheeler and Co, New Delhi. Ch. 1 to 6.
4. Ulganathan Sanker, 2009, Environmental Economics, OUP, New Delhi.Ch.4, 5,6,10 and 11
5. Charles D Kolstad, 2006, Environmental Economics, OUP, New York. Ch.4 and 7
6. Thomas and Callan, 2007, Environmental Economics, Thomas South-Western. Ch. 3 and 4.
7. Nick Hanley et al.2009, Environmental Economics in Theory and Practice Palgrave Macmillan, New York. Ch.2.
8. Paul Aekins, 2000, Economic Growth and Environmental Sustainability, Routledge, London. Ch. 4.

### **Module 4 Economics of Health and Education**

Health dimensions of environment and development; Determinants of health-poverty and malnutrition. Economic dimension of health care- demand and supply of health care. Pollution and its impact on health. Education; Human capital vs. physical capital, components of human capital. Expenditure on education. Environmental education and sustainable development- Rio summit 1992, World Summit on Sustainable Development-2002- Rio+20, Millennium Development Goals (MDG) 20 Hrs.

#### **Essential readings**

1. Environmental Education in India, (2002) Association of Indian Universities, New Delhi.
2. Klarman,H E,(1965), The Economics of Health, Columbia University Press, New York.
3. Schultz,T W.(1971) Investment in Human Capital, Free Press, New York.
4. Joy A Palmer, 1998, Environmental Education in 21<sup>st</sup> Century, Routledge, London.
5. www.unep.org.

## **SEMESTER IV**

- 1. International Monetary System**
- 2. Public Finance with Special Reference to India**
- 3. Elective from set II**
- 4. Elective from set II**
- 5. Elective from set II**

## **PG4ECOCO15 INTERNATIONAL MONETARY SYSTEM**

**Learning Objectives** The course provides a deep understanding about the broad principles and theories which tend to govern the free flow of trade in goods, services and capital –both short term and long term at the global level. Besides preparing the students about the relevance and limitations of these principles, the contents of the paper spread over different modules lay stress on the theory and nature of the subject which in turn, will greatly help them to examine the impact of trade policies followed both at national and international level.

### **Module -1**

Foreign Exchange market- Determination of Exchange rate-Theories of Exchange rate-Mint Parity Theory-Purchasing power Parity Theory- Monetary approach-Asset market (Portfolio Balance) approach. Fixed and Flexible Exchange rate-a brief account of Arbitrage, Spot and Forward rates, Currency Swaps, Futures and Options-Foreign Exchange risks, Hedging and Speculation. (30 Hrs)

### **Module II**

Balance of payments: Concepts-Structure-Disequilibrium in balance of payments-Adjustment mechanisms-Devaluation-Elasticity and Absorption approaches-Marshall-Lerner Condition-Monetary Approach to balance of payment adjustment-Foreign trade Multiplier. (20 Hrs)

### **Module III**

Open economy adjustment policies-internal and external balance-Swan diagram-assignment problem-Mundell-Fleming Model-combining monetary and fiscal policies. (15Hrs)

## **Module IV**

International liquidity and IMF-World bank -World Trade Organisation(WTO) Multi-National Organisations(MNCs)- International capital movements-FDI and Portfolio Investments in India-Globalisation and its impact on India-Secular deterioration hypothesis- International Debt Problem-New International Economic Order (NIEO) (90 hours) (Topics in Module IV should be studied with reference to India) (25Hrs)

## **Reference**

1. Dominic Salvatore. —International Economics, Prentice Hall(1998)
2. Bo Sodersten and Geoffrey Reed, —International Economics, Macmillan(2008)
3. Paul. R. Krugman and Maurice Obstfeld —International Economics, Pearson Education(2009),Dorling Kindersley(India) Pvt. Ltd.
4. Kindleberger, C.P —International Economics, R.D. Irwin, Homewood
5. Bo Sodersten —International Economics, The Macmillan Press Ltd. New York
6. Bhagwati, J.N(Ed), International Trade: Selected Readings, MIT press, 1987.
7. K.C. Rana and K.N. Verma —International Economics, Vishal publishing Co. (2012)
8. Francis Cherunilam —International Economics, McGraw-Hill Education (2008)
9. K.P.M. Sundaram —International Economics
10. Indian Economic Journal (various issues on special number in International Economics)

## **PG4ECOCO16 PUBLIC FINANCE WITH SPECIAL REFERENCE TO INDIA**

The learning objective of this paper Indian Public Finance Paper II is to acquaint the students with the recent developments in Public Expenditure and also in Budgeting and Public Debt in the Indian context. The Economics of Public Enterprises and the recent trends in Center State financial relations is a highlight of this paper.



### **Learning outcomes**

1. To make the students aware of the emerging trends in public expenditure and the criteria for Public Investment
2. To familiarize the students with the various processes involved in the preparation and execution of the Budget and the problems and trends in Public Debt in India.
3. To make the students aware of the Economics of Public Enterprises and the current concepts like Public Private Participation (PPP).
4. To enable the students to have a thorough understanding of the Key Issues centering around Fiscal, Federal relations in India and to impart an advanced level knowledge of the emerging trends in local self Government Institutions in the backdrop of the LPG process

### **Module-I Public Expenditure**

Theories of Public Expenditure – Wagner’s Law – Wiseman- Peacock Hypothesis – Critical Limit Hypothesis-Structure and growth of Public expenditure of Centre and States - Developmental and non developmental –Plan and Non Plan Expenditure-Public expenditure allocation on Education in India. Principles of expenditure evaluation- Social cost - benefit analysis Contact hours-15

### **Module-II Budgeting and Public Debt**

Performance, Programme and Zero Based Budgeting (concepts only) –Stages involved in the preparation, presentation and execution of government budget –Deficit concepts-Problem of fiscal deficit –Corrective measures-FRBM Act-ERC . Theories of public debt – Classical –Keynesian – Modern- Burden of Debt -Intergeneration equity – Buchanan Thesis – Growth and composition of public debt of the Central Govt. and State Govts- External debt of India. Management of Debt. Contact hours-25

### **Module III Public Enterprises**

Role of Public Sector Undertakings(PSUs)— Pricing policies - Peak load pricing - Administered Price Mechanism (APM) - Public Pricing and environmental policy – Changing attitudes towards Public enterprises – Privatization of PSUs’- Disinvestment of Indian PSUs– Experiences of other countries –Public Private Partnership(PPP) policy. Contact hours-15

### **Module-IV Fiscal Federalism**

Theories of Multilevel Finance – Principles of Federal Finance –Indian Fiscal Federalism- Fiscal imbalances- Intergovernmental transfers - Efficiency basis – Equity

arrangements –Major issues in centre – state financial relations in India – Vertical and horizontal imbalances – Finance commission and evaluation of its working. An evaluation of the latest two Finance Commissions – Recent Trends -Criteria of devolution – Planning commission vs Finance commission – Modified Gadgil formula - Problem of Central loans to States in India – Local Finance – Changing role of local self governments - State Finance Commission and financial resources of PRI – Liberalization, economic reforms and centre state relations in India Contact hours-35

## **References**

### **Module I.**

1. J. Mishan Cost – Benefit Analysis Allen Unwin(1982)
2. Anuradha Basu Public Expenditure decision making The Indian Experience Sage Publications New Delhi (1995)
3. Peacock, A. and D. J. Robertson Public Expenditure: Appraisal and Control,
4. Musgrave and Musgrave Public Finance in Theory and Practice (1973)
5. Economic survey ,GOI various Years
6. Handbook on Indian Economy, various Issues
7. Misra and Puri Indian Economy,Himalaya Publishers (2010)

### **Module II**

1. Mishra D. K Public Debt and Economic Development in India, Print House, Lucknow.
2. Chelliah R .J. Growth of Indian Public Debt in Bimal Jalen (1992) The Indian,Economy, Problems and prospects/ Viking, New Delhi.
3. Rangarajan, A Basu, Jadhve , Dynamics of Interaction between Govt deficit and Domestic debt in India. RBI occasional papers Vol. 10, No. 3 Sept 1989
4. J. M. Buchanan Public Principles of Public Debt, Irwin 1958.
5. Barman K. (1986) Public Debt Management in India, Uppal Publishing house,
6. Sreakantaradhya B. S. Public Debt and Economic Development in India, New Delhi (1972).
7. Ferguson, J.M.(Ed.) Public Debt and Future Generations , North Carolina University Press Chapel Hill (1964).
8. The Institute of Chartered Accountants of India Issues in Public Finance, Committee on Public Finance and Government Accounting, New Delhi

### **Module III**

1. R .A Musgrave and Musgrave Public Finance in Theory and Practice. Mc.Graw Hill(1976)
2. Premchand A. Control of Public Expenditure in India, Allied Publishers,
3. Jha H.Modern Public Economics,Routledge, London.(1998)
4. Goyal S.K, Public Enterprises, Indian Institute of public Administration New Delhi (ed, 1984),

5. Southern Economist, January 2003
6. P.L.Metha , Managerial Economics
7. GOI, Report on Disinvestment by the Disinvestment Commission
8. Misra and Puri Indian Economy,Himalaya Publishers (2010)

#### **Module IV**

1. Musgrave and Musgrave Public Finance in Theory and Practice (1973)
2. I.S. Gulati and K.K. George Essays in Federal Finances Relations – Oxford and IBH Publishing Co. New Delhi (1988)
3. Govinda Rao and R .J. Chelliah Survey of Research on Fiscal Federalism in India NIPFP, New Delhi.
4. Hemalata Rao Fiscal Federalism – Issues and Policies, New Century Publications,New Delhi (2006) .
5. J. Ahluwalia and IMD Little India’s Economic Reforms and Development(Ed.)OxfordUniversity Press Delhi (1998)
6. Govinda Rao and Singh N Political Economy of Federalism in India,Oxford India Paperbacks, Newdelhi (2006)
7. K.K George State level fiscal reforms in India :Core Issues ,workingpaper No.6 CSES , 2002
8. K.K George Regaining the constitutional Identity of the Finance Commission, a Daunting task for the 13<sup>th</sup> finance Commission, working paper No.20, CSES 2008
9. Amaresh Bagchi Readings in Public Finance,Oxford university Press,New Delhi(2011)
10. D.K Srivasthava Issues in Indian Public Finance ,New Century Publications (2005)

## **ELECTIVES**

### **ELECTIVE PAPERS: Set: I**

- 1. Monetary Theory and Policy**
- 2. Basic Econometrics**
- 3. Economics of Health And Education**

### **ELECTIVE PAPERS: Set II**

- 1. Computer Application In Economics**
- 2. Fundamentals of Environmental Economics**
- 3. Resource Economics And Sustainable Development**
- 4. Management Theory and Practice**
- 5. Personnel Management**
- 6. Financial Institutions and Markets**
- 7. Security Analysis and Portfolio Management**
- 8. Economics of Agriculture**
- 9. Co-Operation And Rural Development**
- 10. Advanced Econometrics**

## **SET 1 Elective papers**

### **PG3ECOEL1 MONETARY THEORY AND POLICY**

#### **Framework for the Curriculum**

#### **Objectives and learning objectives**

- The first module enables the students to understand the basic concepts regarding money and the functioning of a pecuniary economy.
- The second module capacitates the students to have a thorough understanding of the various
- theoretical approaches to the determinants and measures of money supply and its role in causing the business cycles.

- The third module gives the students an insight in to the different schools of thought regarding the demand for money.
- The fourth module gives the students awareness of the monetary policy formulations, its targets and objectives and to create an interest in the recent monetary reforms initiated in India.
- An earnest attempt is made to give an insight to the present global financial crisis.

**Module I:**

The importance of money-the static and dynamic functions of money-basic concepts money, credit-near monies, financial system, financial institutions, financial markets, monetary and non monetary financial institutions. NBFIs and monetary policy.

15 hours

**Module II:**

Supply of money-the mechanistic and behavioural models of money supply-methods of monetary control, money supply determination in an open economy-monetary business cycle theory of Hawtrey and Hayek-measures of money supply in India

20 hours

**Module III:**

Theories of demand for money-classical approach, neo classical approach, Keynesian –Friedman’s restatement-Post Keynesian theories of the demand for money-James Tobin, William J. Baumol and Markovitz –classical dichotomy-integration of value theory and monetary theory-Patinkin’s model and real balance effect-monetary transmission mechanisms of classical, Keynesian and Friedman.

30 hours

**Module IV:**

Structure of interest rates-term structure of interest rates-segmented approach, expectations approach, and liquidity premium approach-natural versus market rates of interest Wicksell’s contribution-goals, objectives, indicators of monetary policy-rule versus discretion-monetary reforms in India- Chakravarty committee – Narasimham committee Basel norms and Indian commercial banks-global financial crisis-genesis, components and impact on India.

25 hours

**References**

**I Module**

1. Suraj B. Gupta, Monetary Economics, S Chand & Co delhi
2. L M Bhole, Financial Institutions and Marke
3. V M Avadhani, Studies in Indian Financial System

**II Module**

5. Levacic and Rebmann, Macro Economics, Macmillan

6. P R Krishna Iyer,
7. Suraj B Gupta, Monetary Economics

### **III Module**

8. Laidler David E, The Demand for money: Theories and Evidence
9. S C Patnaik, Supply and Demand for money: An equilibrium Analysis
10. D G Pierce and D M Shaw, Monetary Economics
11. Don Patinkin, Money Interest and Prices

### **IV Module**

12. Myron B Glovin, Marie Elizabeth Sushta, Money and Economic Activity
13. Michael R Bayes and Denni S W Jansen, Money, Banking and Financial Markets All India Traveller Book Seller, New Delhi.
14. Mervyn K. Levis and Paul D. Mizen, Monetary Economics, OUP
15. Rakesh Mohan, Growth with Financial Stability, OUP

### **Additional Reading List**

1. Thomas F Cargill, Money, The Financial System and Monetary Policy, Prentice Hall
2. Charles N. Henning, William Pigott and Robert Haney Scott, Financial Markets and The Economy, Prentice Hall,1974.

## **PG3 ECOEL2 BASIC ECONOMETRICS**

### **Module –I**

#### **Basic Econometrics**

Definition & Scope of Econometrics, Methodology of Econometrics-Simple Linear Regression Model- Assumptions- Estimation (through OLS) - Properties of Estimates- Guass Markov Theorem- Normality Assumptions- Statistical Inference- Testing Hypothesis. General Linear Regression Model- Assumptions –Estimation and Testing- Fitness of the Model:  $R^2$  and Adjusted  $R^2$ -Concept and Interpretation of Partial and Multiple Correlation- Analysis of Variance and its Applications in Regression Analysis-Reporting of the Results of Regression-

### **Module -II**

#### **Problems in Regression Analysis**

Issues of Regression through Origin -Scaling and Units of Measurement-Different Functional Forms of Regression Models and their Uses - Nature, Tests, Consequences and Remedial Steps of Problems of Hetero-scedasticity,

Auto-correlation and Multi-collinearity-Problems of Specification Error-Errors in Measurement.

### **Module – III**

#### **Regression with Qualitative Variables**

Dummy Variable Regression–Techniques and Uses-Models with Qualitative Dependent Variables- LPM, Logit, Probit, and Tobit Models. General Linear Regression Model- Assumptions –Estimation and Testing- Fitness of the Model:  $R^2$  and Adjusted  $R^2$ -Concept and Interpretation of Partial and Multiple Correlation- Analysis of Variance and its Applications in Regression Analysis-Reporting of the Results of Regression-

### **Module –IV**

#### **Dynamic Econometric Model**

Auto Regressive and Distributed Lag Models-Koyck Model, Partial Adjustment and Adaptive Expectations Model-Instrumental Variables- Problem of Auto- Correlation, Application- Almon Approach to Distributed Lag Models-Causality Test , Granger Test and Sims Test

### **Module -VI**

#### **Econometric Applications**

Economic Forecasting-Methods of Forecasting- Limitations-Estimation of Demand Equations-Engel Elasticity- Measurement of Short and Long Run Elasticities- Estimation of Production and Cost Functions

#### **References**

- Gujarati, Damodar (2003), Basic Econometrics, 4<sup>th</sup> edition, McGraw Hill, New York.
- Koutsoyiannis A (1977), Theory of Economics, Palgrave, New York.
- Maddala G S (2002), Introduction to Econometrics, 3<sup>rd</sup> edition, John Wiley & Sons, New York
- Ramanathan, Ramu(2002), Introductory Econometrics with Applications, Thomson Learning Inc, Singapore.
- Intriligator, M. D (1980) Econometric Methods, Techniques and Applications Prentice Hall , Engle wood Cliffs, N. J
- Klein LR (1974) A Text Book of Econometrics 2<sup>nd</sup> Ed., Prentice Hall , Engle wood Cliffs, N. J
- Kmenta, Jan(1976), Elements of Econometrics, 2<sup>nd</sup> ed. Macmillan, New York.

- Mukherijee, Chandan, Howard white and Marcwuyts (1998) Econometrics and Data Analysis for Developing Countries, Rutledge New York.
- Wooldridge, Jeffrey M, Introductory Econometrics, (2002) Thomson, South Western, USA

## **PG3 ECOEL3 ECONOMICS OF HEALTH AND EDUCATION**

### **Module 1- Introduction to economics of Health**

Definition and scope of economics of health- the concept of health and health care- the role of health in economic development – health as human capital : determinants of health- poverty , malnutrition; Economic dimensions of health care- Demand and supply of health care.

### **Module 11- Health Care**

Government, health and medical care-Reasons for govt.intervention-Relationship between health insurance and and medical services- health care financing- pricing and subsidies to health sector –health care expenditure in India and Kerala- Issues and Challenges- Institutional issues in health care delivery – implications of GATS for health sector and financing – Role of NGOs in health care –inequalities of health and health care in India- Financing of health care.

### **Module 111- Introduction to economics of Education**

Definition and scope of economics of education- Human capital: the concept; Historical

developments in the human capital theory; components of human capital ; PQLI and HDI investment in human capital – contribution of education to economic growth

### **Module 1V- Costs and Benefits of Education**

Cost of education- expenditure on education, private and social costs, direct and indirect costs, benefits of education- private and social benefits, direct and indirect benefits- problems in measurement of cost and benefits- efficiency and productivity in education

Educational planning and economic growth – educational financing, resource mobilisation, pricing and subsidies- educational expenditure and planning in India and Kerala- Role of NGOs in education Implications of GATS on Indian education and financing.

### **Basic Reading List**

Becker, G.S, (1972)- Human Capital, 2<sup>nd</sup> edn, NBER, New York

Baru, R.V., -Private Health Care in India

Henderson, J.W, -Health economics and Policy

Folland- Goodman-Stano- The economics of health and health care



Panchamukhi, P.R, -Economics of Health: A trend report in ICSSR, A survey of Research in Economics, vol.V1, Allied Publishers, Delhi  
World Bank( 1983), The World Development Report: Investing in Health, Oxford University Press, N.Y  
Blaug, M.(1972)- An Introduction to Economics of Education, Cambridge University Press  
Schultz, T.W- Economic value of education  
George Pascharopoulos (1985)- Education for Development, Oxford University press, N.Y  
Jaganathmohanty- Modern Trends in Education  
K.K. George and N. Ajith Kumar,( 1999)- What is wrong with Kerala's education system? CSES w.p. No.3  
AlwinPrakash,andPrabhakaran Nair( Ed). (2008) – Kerala's Development issues in the New Millennium, serials Publication, new Delhi.

## **SET 2 Elective Papers**

### **PG4ECOEL4 COMPUTER APPLICATION IN ECONOMICS**

#### **Module 1: Computers and Peripherals**

Basic components of computer – CPU, input-output devices, keyboard, mouse and scanner, Video display, printers and plotters, data storage and retrieval, hard disk, floppy disk and CD ROM; Types of computers and their applications; Computer networking and resource sharing, Hardware and software - Operating system.

#### **Module 2: Data Processing, Techniques and Algorithms**

Concept of data, record and file; Types of data and data structures, data analysis; File handling and, appending and cascading, closing and attribute control; Data storage and retrieval; Data operations; Algorithms like sorting, merging, joining and bifurcation; Database concepts and operation on database; DBMS and RDBMS. Introduction to MS Excel and MS Access

#### **Module 3: Statistical Processing Techniques and Methods**

Time and frequency series, – Presentation of charts and scatter plots– line, sub divided, multiple, pie graphs – estimation of descriptive statistics – estimation of growth rates, trend equations and regression equations – Estimation of Simple Econometric Model using Analysis Tool Pack –Introduction to SPSS.

#### **Module 4: IT Application to Economics**

On line banking; ATM's Electronic stock exchange; Electronic trading; Data sharing and

dissemination; Electronic transaction; Document delivery; Authentication and validation

transaction processing – Electronic trading and marketing; On line shopping and malls, B2B, B2C, models, Document and transaction security and digital signature; Integrated transaction on mobile platforms. E-Commerce applications in India.

## **PG4ECOEL5 FUNDAMENTALS OF ENVIRONMENTAL ECONOMICS**

### **Preamble:**

This course helps the students to understand the basic theories and tools of analysis in

environmental economics along with a broad understanding of the policy instruments.

### **Module 1 Introduction to Ecology, Environment and Economy**

Ecology and Environment- principles of Ecology, Self sustaining Mechanisms in Ecosystems-Human Ecology- Community Ecology–Environmental Economics Vs. Traditional Economics- Nature, Scope and Definitions of Environmental Economics.

15 Hrs.

### **Essential Readings**

1. Rbindra N Bhattacharya 2007, Environmental Economics an Indian Perspective, OUP, New Delhi.Ch.1
2. Katar Singh and Anil Shishodia, 2007, Environmental Economics Theory and Practice Sage Publications, New Delhi. Ch. 1 and 2.
3. Charles D Kolstad, 2006, Environmental Economics, OUP, New York. Ch.1
4. Daniel D Chiras, 1998, Environmental Science, 5<sup>th</sup> edn., Wadsworth Publishing Company, New York. Ch. 5 to 8
5. Matthew Edel, 1973, Economics and the Environment, Prentice Hall, New Jersey, Ch.1.
6. Nirmal Chandra Sahu and Anitha Kumari Choundhury, 2005, Dimensions of Environmental and Ecological Economics, University Press, Hyderabad. Articles. 1, 2, 4 and 5.
7. Paul Aekins, 2000, Economic Growth and Environmental Sustainability, Rroutledge, London. Ch.2.
8. Roger Pearman , et al., 1999, Natural Resources and Environmental Economics, Pearson Education, Limited Edin. Borough Gate, U.K. Ch. 1
9. Sharma P.D, 2002-03), Ecology and Environment, Rastogi Publications, Meerut. Ch. 10.
10. World Development Report 2003, Sustainable Development in a Dynamic World.

## **Module 2 Welfare Economics and Environment**

Fundamental theories of environmental economics- Pareto Optimality and competitive equilibrium-Externality and market inefficiency – Externality as missing markets-property rights and externality -environmental demand theory- Use of Game theory and environment – Olson’s theory of Collective Action. Coase theorem and bargaining- Common pool resources – Tragedy of commons. 25 Hrs.

### **Essential Readings**

1. Charles D Kolstad, 2006, Environmental Economics, OUP, New York. Ch.3 to 7 and 15.
2. Katar Singh and Anil Shishodia, 2007, Environmental Economics Theory and Practice Sage Publications, New Delhi. Ch. 3 and 4.
3. Nirmal Chandra Sahu and Anitha Kumari Choundhury, 2005, Dimensions of Environmental and Ecological Economics, University Press, Hyderabad. Articles. 8,9 and 15.
4. Paul Aekins, 2000, Economic Growth and Environmental Sustainability, Routledge, London. Ch.2.
5. Roger Pearman, et al., 1999, Natural Resources and Environmental Economics, Pearson Education, Limited Edin. Borough Gate, U.K. Ch. 1 and 4 to 6.

## **Module 3 Measurement of Environmental Values**

Environmental Valuation- Total Economic value-use value, non-use value, option value, bequest value – Standard based valuation (neo Classical) - Weak Complimentarity- Choice modeling- Production function based Techniques-indirect methods: Travel Cost Method. Hedonic Price Method, shadow pricing. Direct methods: Contingent Valuation Method-irreversibility, risk and uncertainty, Environmental life Cycle Assessment, Environment input-output modelling- Environmental Accounting- Integration of Environmental Accounts with System of National Accounts. .Environmental Life cycle analysis. Benefits Transfer. 30 Hrs.

### **Essential Readings**

1. Katar Singh and Anil Shishodia, 2007, Environmental Economics Theory and Practice, Sage Publications, New Delhi. Ch. 4, 5 and 6.
2. Rbindra N Bhattacharya 2007, Environmental Economics an Indian Perspective, OUP, New Delhi.Ch.4.
3. Roger Pearman, et al., 1999, Natural Resources and Environmental Economics, Pearson Education, Limited Edin. Borough Gate, U.K. Ch. 14 to 17.
4. Mary Ann Curran, 1996, Environmental life Cycle Assessment, MC. Graw Hill, New York. Ch.1.

5. Paul Aekins, 2000, Economic Growth and Environmental Sustainability, Routledge, London. Ch.2, 5 and 6.
6. Sharma P.D, 2002-03), Ecology and Environment, Rastogi Publications, Meerut. Ch. 22
7. Thomas and Callan, 2007, Environmental Economics, Thomas South-Western. Ch. 8.
8. Ulganathan Sanker, 2009, Environmental Economics, OUP, New Delhi. Ch. 8 and 9.

#### **Module 4- Theory of Environmental Policy**

Treating environment externalities – Polluter pay principle – Pigouvian taxes and subsidies – marketable pollution permits –mixed instruments (the charges and standards approach) – taxable permits and tradable permits –Fiscal steering wheel. Eco -Labeling. 20 Hrs.

##### **Essential readings**

1. Lester R Brown, 2003, Eco- Economy, Orient Longman, Hyderabad. Ch.11
2. Nirmal Chandra Sahu and Anitha Kumari Choundhury, 2005, Dimensions of Environmental and Ecological Economics, University Press, Hyderabad. Part 2 essays -Articles. 14 and 17 to 19.
3. Paul Aekins, 2000, Economic Growth and Environmental Sustainability, Routledge, London. Ch.3 and 8.
4. Roger Pearman , et al., 1999, Natural Resources and Environmental Economics, Pearson Education, Limited Edin. Borough Gate, U.K. Ch. 11 and 12.
5. Thomas and Callan, 2007, Environmental Economics, Thomas South-Western. Ch. 6.

## **PG4ECOEL6 RESOURCE ECONOMICS AND SUSTAINABLE DEVELOPMENT**

#### **Preamble**

The course intends to make the student understand the inter-relationship between environment and development. Valuation and accounting techniques will enable the students to quantify the impacts of economic activities on environment.

#### **Module 1: Optimum Resource Use**

Human resources-Impact of human resources on natural resources–Sustainable use of exhaustible and renewable resources – principle of maximum sustainable yield – Hotelling rule - Limits to growth –population projections and resource constraints. 20 Hrs.

##### **Essential readings**

1. Katar Singh and Anil Shishodia, 2007, Environmental Economics Theory and Practice, Sage Publications, New Delhi. Ch. 4.
2. Rabindra N Bhattacharya 2007, Environmental Economics an Indian Perspective, OUP, New Delhi. Ch.2.
3. Ulganathan Sanker, 2009, Environmental Economics, OUP, New Delhi.Ch.4 and 5

## **Module 2: Sustainable Development**

Sustainable Development – evolution and definitions of the concept – inter-generational and intra-generational equity – the outcome versus input for output approach- Weak and Strong sustainability rules - Daly’s operational Principles and Maintaining system resilience. Economic indicators of sustainability- Green NNP and Genuine Savings. 25 Hrs.

### **Essential readings**

1. Ulganathan Sanker, 2009, Environmental Economics, OUP, New Delhi. Ch. 10
2. Nick Hanley ET al.2009, Environmental Economics in Theory and Practice Palgrave Macmillan, New York. Ch.2.
3. Rbindra N Bhattacharya 2007, Environmental Economics an Indian Perspective, OUP, New Delhi. Ch.5.
4. WCED Our Common Future (1987), OUP Delhi

## **Module 3**

Environmental Accounting for Sustainable Development Environmental Accounting – SEEA-objectives -supply and use accounts, asset accounts, environmental protection expenditures and modification of System of National Accounts’. Environment and Natural Resource Accounting in India (ENRA) background, physical and economic accounts. 25 Hrs.

### **Essential readings**

1. N Das Gupta, 1997, environmental Accounting, Wheeer and Co, New Delhi. Ch. 1 to 6
2. Ulganathan Sanker, 2009, Environmental Economics, OUP, New Delhi. Ch. 11
3. Rbindra N Bhattacharya 2007, Environmental Economics an Indian Perspective, OUP, New Delhi. Ch.5.

## **Module 4**

Designing a Green Economy The shape of the eco-economy, restructuring the economy, new industries and new jobs, investment opportunity - building the solar/ hydrogen economy. Energy efficiency, alternate forms of energy, harnessing the wind, sunlight wave, geo thermal, natural gas and hydrogen economy. Designing a new

materials economy -feeding everyone well -protecting forest products and services. Redesigning cities for people. 20 Hrs.

### **Essential readings**

1. Lester R Brown , 2003, Eco- Economy, Orient Longman, Hyderabad. Ch. 4 to 9.
2. Peter G Brown and Geoffrey Garver, (2009), Right Relationship; Building a Whole earth Economy, Berret-Koehler Publishers, San Francisco.
3. David C Korten (1992), Getting to the 21st century, Oxford and IBH, New Delhi.

## **PG4ECOEL7 MANAGEMENT THEORY AND PRACTICE**

### **Learning objectives**

The Management course is developed to make students to be well with management techniques that prevail in the corporate world. This exposes the students to a variety of skills and concepts in management. Management includes people who are involved in the process of planning, organizing and controlling different resources of a company to achieve the intended goal.

### **Module I - Introduction**

Definition of Management, Evolution of Modern Management Thoughts , Types of managers, Science or Art ? Administration vs. Management, Managerial Roles, The external and Internal Environment

### **Module II- Functions of management.**

Meaning and significance of planning - Types of Plans- planning and forecasting- planning and decision making, Meaning of Organization-Types of organization-line ,staff, functional-span of control-Departmentation-authority and responsibility. Management by Objectives. Organizational Architecture- Designing structure vertical and horizontal differentiation. SWOT Analysis

### **Module III**

Management in action-Direction-supervision- leadership-motivation-communication – coordination-Functions of supervisors-different types of leadership- Theory X,Y and Z, -Maslow's theory of motivation. The McKinsey 7-S Framework

### **Module IV**

Controlling, Basic control process, Requirements of effective control, Methods of control-Global controlling ( 90 hours )

## **Reference.**

1. Koontz, and D' Connel C : Management .A system and contingency Analysis of Management Function (MC Graw Hill)
2. Koonz H and Heinz Weihrich , Essentials of management Mc Graw Hill
3. Someshwaranada, Swami, Business Management ,the Gita way ,Jaico Publishing, New Delhi
4. .Koontz.H and D' Connel C : Essentials of Management (MC Graw Hill )
5. Massie : Essentials of Management (Pentice Hall ,Delhi )
6. S.A.Sherlerkar and V.S.Sherlerkar : Modern Business organization and Management
8. T.K. Bhushan : Fundamentals of Business organization and Management( S.Chand and Co)
9. Hill, W.L., Charles and Steven L.Mcshare , Principles of Mangement Tata McGraw Hill

## **PG4ECOEL8 PERSONNEL MANAGEMENT**

### **Learning Objectives**

The importance of personnel management is being increasingly realised in industrial organizations both in India and abroad. The growing importance of personnel management is reflected in specialization in the field of personnel management as well as in the eagerness and willingness of the people to share responsibility of many personnel functions. However organizations have realized that human resource are more valuable than other resources. This paper will provide sufficient knowledge to students regarding various aspects of personnel management like manpower planning, methods of recruitment and selection, wage and salary administration, etc. This will enrich their talents to take up the challenges of a personnel manager.

### **Module I**

Definition and scope of personnel management, functions of personnel management-managerial functions –operative functions-Qualities of a personnel manager, Growth of personnel management-stages of evolution of personnel management, Human Resource management and Personnel Management

### **Module II**

Manpower planning-process of man power planning- Importance of human resource planning-Job analysis. Recruitment and selection-sources of recruitment-Internal and external sources-Methods of recruitment-Direct, Indirect and third party methods-Steps in selection process-Tests-Interview types of interviews-qualities of good interviewer- -Placement-Induction-objectives of induction Training-Importance of training-Methods of training-on the job methods-off the job methods

### **Module III**

Job changes-Promotion, Demotion, Transfer- Lay off-Job evaluation-Methods of job evaluation Ranking method, Grading method, Factor comparison method. Merit rating and performance appraisal.

### **Module IV**

Wage and salary administration- theories of wages- wage policy-factors influencing wage structure-principles of wage and salary administration- minimum wage - living wage-Types of wages-time rate, piece rate. Financial motivators- Non financial motivators.

### **Module V**

Industrial relation-definition-objectives of industrial relation-participants of industrial relation, Industrial dispute-forms of dispute-types of dispute-methods of settling dispute (90 hours )

### **REFERENCE**

- 1.C.B.Mamoria : Personnel Management, Himalaya publishing house
- 2.R.S.Daver : Personnel Management and Industrial relations in India. Vikas Publishing House , pvt .Ltd
- 3.Dale Yodder ;Personnel Management and Industrial Relations, Prentice-Hall of India, New Delhi
- 4.Edwin B.Flippo :Principles of Personnel Management, MC Graw –Hills Kogakusha, Ltd.
- 5.K.K.Ahuja :Personnel management, Kalayani Publishers ,New Delhi.
- 6.BPP learning media :Human resource management, Viva Books ,New Delhi

## **PG4ECOEL9. Financial Institutions and Markets**

It provides an overview of what a capital market is and students acquire a comprehensive knowledge of capital markets in market economy behaviour. The outcomes: Upon the successful coverage of the course, students will be able to understand the basics of savings and investment, to understand how capital markets work and what functions capital markets fulfil in market economy and to calculate the Risk, Return and Liquidity of various investment instruments.

### **Module I**

Nature and Role of Financial System – Structure, financial system and Economic Development, Theories of the Impact of Financial Development, Financial sector and Economic Development, Criteria to evaluate financial system.



## **Module II**

Overview of Indian financial system- Indicators of financial Development, Structure of financial Institutions, Financial sector reforms. Regulatory and Promotional Institutions RBI and SEBI, NABARD, IRDA- Role of Commercial Bank during post liberalization period, Growth of New Generation Banks – Banking Sector Reforms.

## **Module III**

Non-Banking Financial Intermediaries – Insurance Companies, Mutual funds, Miscellaneous Non-Banking financial intermediaries – Structure and Growth – Hire Purchase, Lease Finance, Housing finance, Venture Capital, Credit rating agencies, Depository and Custodial Services.

## **Module IV**

Markets – Call Money Market, treasury Bills Market, Commercial Bills Market, Industrial Securities Market. Markets for Futures, Options and other financial derivatives.

## **Module V**

Security markets in India – Money and capital market in India – New Issue market – Methods of Issue – Secondary market – Stock exchange – Role & Functions – Listing – Trading procedures and settlement – Regulatory and supplementary organizations and regulatory measures.

## **References**

1. L.M.Bhole, Financial Institutions and Markets, TMH, New Delhi, 2007
2. Prasanna Chandra, Managing Investment, TMH, New Delhi, 2007
3. Sriram Khanna, Financial Markets in India & Protection of Investors, New Century Publications, 2004.
4. Mark Grinblatt & Sheridan Titman, Financial Markets and Corporate Strategy, TMH, 2003.
5. Frank .J.Fabozzi et al Foundations of Financial Markets and Institutions, Pearson, 2002

# **PG4ECOEL10 SECURITY ANALYSIS AND PORTFOLIO MANAGEMENT**

## **Preamble**

The study of Security Analysis and Portfolio Management assumes great significance in modern times. In a growing economy, financial markets are a major component and therefore best money management practices are essential. There are various theories on portfolio management and also there are some generally accepted methods of stock selection. The course includes major theories like Efficient Market

Hypothesis, Markowitz's Model and it also tries to impart basic knowledge on fundamental and technical analysis.

### **Learning Objectives**

1. To make students aware about the risk- return trade-off in investment decisions.
2. To provide theoretical knowledge about stock market investment.
3. To stress the importance of maintaining a diversified portfolio.
4. To impart some practical knowledge on stock selection. After learning fundamental and technical analysis, students should be able to do security analysis.

### **Module 1**

Efficient Market Hypothesis (EMH) – Weak, semi-strong and strong Forms of market efficiency Implications of EMH-Random walk theory- Security Analysis- Factors influencing prices-Risk and Return-Meaning and definition of risk-Types (Systemic Risk, Market Risk, and Interest Rate Risk)-Measurement of Risk (Standard deviation& Beta)

### **Module 2**

Portfolio Construction: Approaches to Portfolio Construction, Determination of Objectives Selection of Portfolio - Reasons to hold a portfolio-Diversification Analysis-Markowitz's Model Markowitz efficient frontier - Capital Market theory-CAPM model - Capital Market Line-Security Market Line-Present Validity of CAPM-Arbitrage Pricing Theory (APT)

### **Module 3**

Fundamental Analysis-Economic Environment analysis-Industry Analysis- Company analysis Operating analysis- Management analysis-Financial Analysis- Approaches to valuation- DCF method

### **Module 4**

Technical Analysis-Meaning and Assumptions-Trend Lines and their significance-Dow Theory, volume indicators, market sentiment indicators, confidence indicators, points & figure charting, bar charting - Elliot Wave Principle-Moving Averages of stock prices – Relative Strength Index Chart Patterns

### **References**

- 1) Security Analysis and Portfolio Management- Donald E Fischer & Ronald J Jordan
- 2) Modern Portfolio Theory and Investment Analysis,7<sup>th</sup> Edition- Edwin J Elton, Martin J Gruber, Stephen J Brown, William N Goetzmann
- 3) Modern Investment Theory – Robert A. Haugen
- 4) Investments – William F Sharpe

- 5) Financial Management: Theory and Practice- Prasanna Chandra
- 6) Investment Analysis- Francis J C
- 7) Financial Management- Jonathan Berk, Peter DeMarzo, Ashok Thampy
- 8) Investments: Principles and Concepts- Charles P Jones

## **PG4ECOEL11 ECONOMICS OF AGRICULTURE**

### **Objectives and Learning objectives:**

The first module gives a detailed idea regarding the role and importance of agriculture in economic development , the land reforms in India, a comparison of the Green revolution in India and Mexico, and the importance of farm budgeting.

The second module deals with the various principles of farm management and its limitations, the different relationships involved in agricultural production and the supply response models. The third module gives insight into the agricultural marketing in India, role of PDS, and also the role of WTO in Indian Agriculture

### **Module I.**

Role of agriculture in economic development - interdependence of agriculture and industry -Cropping pattern - factors affecting cropping pattern. Land reforms in India - Green Revolution -experience in Mexico and India - Farm size and productivity debate in India -mechanization in Indian agriculture

### **Module II**

Principles of Land utilisation land distribution – structure and trends – land tenures and farming systems, peasant, capitalist, collective and state farming. Tenancy and crop sharing. Factor Market Inter linkages. Land reforms measures and performance; problems and managerial and small farmers –rural unemployment – Agricultural wages. Sources of rural credit \_NABARD

### **Module III:**

Farm management – Principles - Farm management decisions - principles of factor substitution -cost principles - opportunity cost principle - principles of comparative advantage -limitations of farm management. Agricultural production functions - Factor-product relationships, product relationships, Factor-factor relationships - supply response models (Cobweb and Nerlove models).

### **Module IV:**

Agricultural marketing in India - regulated markets and cooperative marketing. Marketed and marketable surplus - food security in India – PDS - Revamped PDS and targeted PDS - Need and objectives of agricultural price policy. International trade

and agriculture development and WTO and Indian agriculture - Role and need for agro-based industries.

### **References:**

1. M Bazlul Karim, The Green Revolution: An International Bibliography, Greenwood Press
2. Rudra A, Indian Agricultural Economics-Myth and realities, Allied publishers, New Delhi.
3. Das Gupta, The new Agricultural Technology in India, Macmillan, Madras.
4. Mellor J W, The Economics of Agriculture Development
5. Bansil P C, Agricultural Problems in India Module II.
6. Kent D Olson, Farm Management: Principles and Strategies
7. Heady E O, Agricultural Production Function, Kalyani Publications, Ludhiana
8. Rao C Hanumantha, Agricultural Production Function costs and returns in India by, Tata MC Graw- Hill Delhi.
9. Anwarul Hoda, WTO agreement in Indian Agriculture
10. The WTO Agreement on Agriculture
11. Joseph A McMohan, Agricultural Marketing in India by A.K. Singhal, Anmol Publications
12. by Yadav, B.S & Rana, Sachi, Rural Employment through Agro-based Industries
13. Theodore Schultz, Transforming Traditional Agriculture, Yale University Press, New Haven, 1964
14. C.H Hanumantha Rao, Agricultural Growth, Rural Poverty and Environmental Degradation, OUP, New Delhi 2000.
15. Krishna, K.L. and Uma Kapila, Readings in Indian Agriculture and Industry, Academic Foundations, 2009.
16. Y.K. Alagh, An Overview of the State of Indian Farmer : A Millennium Study (Vol.I), Academic Foundations, 2004.
17. Badhuri, A. et al, The Dual Role of Terms of Trade : The Indian Experience Agriculture, Industrial Interaction, University of East Anglia, 2004.
18. G.S. Bhalla, Globalisation and Indian Agriculture, Vol. 19: State of Indian Farmer, A Millennium Study, Academic Foundation, 2004.

## **PG4ECOEL12 CO-OPERATION AND RURAL DEVELOPMENT**

### **Module I**

Principles, Meaning and Significance- Importance and Benefits of Co-operation-co-operation and other forms of business enterprises- Co-operation and Economic Development- History and Growth of Co-operative Movement in India- Acts of 1904 and 1912-All India rural Credit Survey Committee- Rural Co-operative Credit

Structure- Primary Agricultural Credit Co-operative Bank their working structure, problems and suggestions- Urban Co-operative Societies and Agricultural Marketing- Co-operative Consumer Co-operatives- NCDC.

## **Module II**

RBI and Agricultural Credit Department- Role of NABARD and RRBs- Nature and Structure of Rural Economy.- V.M. Dandekar's Approach to Rural Development- Rural Poverty and Rural Unemployment – Nature, Causes and Remedies. Rural Indebtedness – Relief Measures Role of SHGS and Micro Finance-Micro Finance in India and Bangladesh- Islamic Banking- Rural Development Programme of Government of India- Food for Work Programme-unorganised rural credit institutions-decentralized planning and rural development-rural employment guarantee programme-Small Farmers Development Agency-National Rural Employment Guarantee Programme-Financial Liberalisation and Rural Credit in India.

## **Module III**

Co-operative Movement in Selected Countries- History and Growth of Co-operative Movement in Japan, Germany, France, Ireland, Denmark, Great Britain and Sweden. International Co-operative Alliance-specialised co-operatives in various countries

## **Reading List**

1. Krishna Swamy D.R - Fundamentals of Co-operation
2. Jalal R.S. – Rural Co-operatives in India, Anmol Publications Pvt. Ltd., New Delhi.
3. Shakuntala Devi- Rural Credit and Agricultural Development, Sarup & Sons, New Delhi - 1996.
4. Hough E.M. – Cooperative Movement in India, Oxford University Press, Bombay -1959.
5. Kulkarni K.R., Theory and Practice of Cooperation in India and Abroad. Cooperative Book Depot, Bombay-1958.
6. Tripathi S.N. – Cooperatives growth and New Dimensions, Discovery Publishing House, New Delhi 2000.
7. Dandekar V.M. and Rath . N. – Poverty in India
8. Desai, Vasant - Study of Rural Economics, Himalaya Publishing Company, New Delhi.
9. Jain P.C. – Agricultural Reforms in India
10. Patodiya Mohan S. - Rural Economics for C.A.I.I.B Part – I
11. Jain S.P., Indian Rural Economics Vikas, New Delhi
12. Reserve Bank of India, Statistics on Indian Economy - Various Issues
13. V.K.Ramachandran and Madhuva Sivammathan, Financial Liberalization and Rural Credit in India (ed), Tulika Books, New Delhi.
14. Hajela T N, Co-operation, Konark Publications Pvt. Ltd, Delhi.

15. Bedi R D, Theory, History and Practice of Co-operation, R. Lall Book Depot, Meerut.
16. Armendariz & Morduch, Economics of Micro Finance, 2<sup>nd</sup> edition, Prentice Hall of India, New Delhi.

### **PG4ECOEL13 ADVANCED ECONOMETRICS**

**Module I:** Qualitative Response Regression Models- the LPM, the Logit, the Probit and the Tobit models.

**Module II:** Dynamic econometric models: Autoregressive and Distributed Lag models- Importance of lag in economics- The Koyck approach- the adaptive expectations model stock adjustment model- estimation of autoregressive models- the method of Instrumental Variables Durbin h test- Almon approach to distributed lag models.

**Module III:** panel data regression models- fixed effect regression model- the random effects model.

**Module IV:** Simultaneous equation method- simultaneous equation bias the identification problem- rules of identification- Rank and Order condition- simultaneous equation methods- limited information versus full information methods- recursive models and Ordinary Least Squares- the method of Indirect Least Squares- the method of Two Stage Least Squares- Instrumental variable estimation- properties of various estimators.

**Module V:** Instrumental variable regression- IV estimator with a single regressor and a single instrument- the general IV model- checking instrument validity, instrument relevance and instrument exogeneity.

**Module VI:** Time series econometrics- Stochastic processes, stationary versus non-stationary stochastic processes unit roots- trend stationary versus difference stationary stochastic processes- spurious regression- testing for unit roots, Dickey Fuller and augmented Dickey Fuller tests- cointegration and error correction models

**Module VII:** Modelling stochastic processes the Box Jenkins methodology- AR, MA, ARMA, ARIMA models estimation and forecasting- Vector autoregression- Measuring volatility, the ARCH and GARCH models.

#### **References**

- Gujarati, Damodar (2003), Basic Econometrics, 4<sup>th</sup> edition, McGraw Hill, New York.
- Gujarati, damodar (2011), Econometrics by example, I edition, Palgrave-McMillan.
- Stock, James and Watson, mark(2012) Introduction to econometrics, II edition, Pearson, Addison Wesley
- Brooks, Chris(2012), Introductory econometrics for finance II edition, Cambridge

- Johnston, Jack and Dinardi, John (1998) Econometric Methods, IV edition, Macgraw Hill
- Pyndick, Robert and Rubinfeld, Daniel (1998)- Econometric models and economic forecasts IV edition, Mcgraw Hill international edition.
- Koutsoyiannis A (1977), Theory of Economics, Palgrave, New York.
- Maddala G S (2002), Introduction to Econometrics, 3rd edition, John Wiley & Sons, New York
- Ramanathan, Ramu(2002), Introductory Econometrics with Applications, Thomson Learning Inc, Singapore.
- Intrilligator, M. D (1980)Econometric Methods, Techniques and Applications Prentice Hall
- Engle wood Cliffs, N. J Klein LR (1974) A Text Book of Econometrics 2<sup>nd</sup> Ed., Prentice Hall , Engle wood Cliffs, N. J
- Kmenta, Jan (1976), Elements of Econometrics, 2<sup>nd</sup> ed. Macmillian, New York.
- Mukherjee, Chandan, Howard white and Marcwuyts (1998) Econometrics and Data Analysis for Developing Countries, Rutledge New York.
- Wooldridge, Jeffrey M, Introductory Econometrics, (2002) Thomson, South Western, USA