Syllabus

for

M.A. Economics

(2018 onwards)

Bishop Heber College
(Autonomous),

Tiruchirappalli – 620 017.

Programme: M.A. Economics (2019 onwards)

Sem.	Course	Course Title	Course Code	Hours / week	Credits	Marks		
						CIA	ESE	Total
I	Core I	Advanced Microeconomics	P18EC101	6	4	25	75	100
	Core II	Statistical Methods for Research	P18EC102	6	4	25	75	100
	Core III	Indian Economic Development	P18EC103	6	4	25	75	100
	Core IV	Public Economics	P18EC104	6	4	25	75	100
	Elective I	Monetary Economics	P18EC1:1	6	4	25	75	100
			Sem.I Credits :		20			
II	Core V	Advanced Macroeconomics	P18EC205	6	5	25	75	100
	Core VI	Mathematical Methods for Economic Analysis	P18EC206	6	5	25	75	100
	Core VII	Economics of Growth and Development	P18EC207	6	5	25	75	100
	Elective II	Human Resource Development	P18EC2:2	6	4	25	75	100
	Elective III							
	VLO	RI/MI	P17VL2:1/ P17VL2:2	2	2	25	75	100
			Sem.II Credits :		25			
III	Core VIII	International Economics	P18EC308	6	5	25	75	100
	Core IX	Econometrics	P18EC309	6	5	25	75	100
	Core X	Research Methodology in Economics	P18EC310	6	5	25	75	100
	Core XI	Social Economics	P18EC311	6	5	25	75	100
	Elective IV							
			Sem.III Credits :		24			
IV	Core XII	Agricultural Economics	P18EC412	6	4	25	75	100
	Core XIII	Environmental Economics	P18EC413	6	4	25	75	100
	Core XIV	Industrial Economics	P18EC414	6	4	25	75	100
	Elective V							
	Core Project	Project	P18EC4PJ	6	5	--	--	100
			Sem.IV Credits :		21			
			Total Credits :		90			

Core Theory : 14 Core Project : 1 Elective :5 Value Education : 1	Total Courses:	21

CORE-I: ADVANCED MICRO ECONOMICS

Objectives

1.   to analyse the economic principles and concepts
2.   to understand the theories
3.   to evaluate and apply the principles to real world situation

Unit I

Utility Analysis : Utility Theory – Cardinal and Ordinal approach – Indifference curve analysis and its applications – Revealed preference theory – Hicks Revised demand theory – Newmann Margenstern (MN Index) theory of measuring utility – Friedman – Savage Hypothesis.

Unit II

Production Analysis : Laws of production – Laws of Returns to Scale – Law of Variable proportion – Elasticity of Substitution – Economies of Scale – Producer's Equilibrium – Production function – Cobb – Douglas & CES production function – Technical Progress – Embodied and Disembodied Technical Progress.

Unit III

Cost and Revenue Analysis : Types of costs – Short run and long run costs – Cost – Output relations - Concepts of revenue – relationship between AR and MR curves.

Unit IV

Theory of product pricing: Oligopoly – features – Kinked demand curve – Non-collusive Oligopoly – Duopoly models – Cournot's and Bertrand's models – Cartels – Joint profit maximizing Cartels – Market sharing Cartel's price Leadership.

Unit V

Welfare Economics : Concept of old and New welfare ideas – Marshall and Pigou – Pareto Optimality – New Welfare economics – Kaldor – Hicks – Scitovsky Compensating criterion – Bergson and Samuelson's Social Welfare function – Arrow's theory of Social Choice.

References

- Dominick Salvatore – Micro Economics : Theory and Application, 4th Edition, Oxford University Press, New York, 2003.
- Henderson JV & Poole W : Principles of Economics, D.C. Heath & Company, Lexington, 1991.
- Roberts S Pindyek, Daniel L Rubinfeld & Prem L Mehta – Micro Economics, 6th Edition, Pearson Prentice Hall, New Delhi, 2007.
- Jhingan M.L. : Advanced Economic Theory, 11/e, Vrinda Publications, New Delhi, 2003.
- Diwivedi D.N. Micro Economics Theory and Applications, Pearson Education, New Delhi, 2003.
- Ahuja, K.L. Advanced Economic Theory, 3/e, Revised and Enalrged Edition, World Press, New Delhi, 1995.

CORE-II: STATISTICAL METHODS FOR RESEARCH

Objectives

- To understand the statistical methods and to apply them for research.
- Shall have a broad understanding of the basic statistical tools.
- Have an acquire knowledge in the application and uses of statistical tools in economics.

Unit I

Methods of Central Tendency & Dispersion: Methods of collection and presentation of data –Measures of central tendency -Mean, Median and Mode – Measures of Dispersion – Range, Inter-quartile Range (IQR), Quartile Deviation, Standard deviation and coefficient of variation – Lorenz curve.

Unit II

Probability Distribution: Elementary probability Theory – Addition and Multiplication Theorems of Probability - Concepts – Simple Problems - Binomial, Normal and Poisson distributions – its properties – Methods of Sampling – Random and Non-random sampling methods – Size of sample - Standard error.

Unit III

Formulation and Testing of Hypothesis: Hypothesis Testing – Procedure of Testing Hypothesis – Null Hypothesis and Alternative Hypothesis – Two types of Errors in Testing of Hypothesis – Two-tailed and One-tailed tests of Hypothesis - 'Z, F and chi-square tests' and 't' test (Student's t- Distribution) – Testing Correlation Coefficients and Regressions coefficients.

Unit IV

Index Numbers & Time Series Analysis: Introduction – Uses – Problems and Methods of constructing Index Numbers – Laspeyre's, Paasche's, Bowley's, Fisher's and Ideal Method - Marshall-Edgeworth Methods - Time Series Analysis – Components of Time Series – Measurement of Trend by the method of Least Squares.

Unit V

Correlation & Regression: Introduction – Types of Correlation – Methods of studying Correlation – Direct Method, Actual mean and Assumed mean Method – Regression – uses – Difference between Correlation and Regression Analysis – Regression equations of X on Y and Y on X.

References

- Gupta S.P., Statistical Methods, Sultan Chand & Sons, Educational Publishers, New Delhi, 2008 (Thirty-six Revised Edition)
- Pillai R.S.N. & Bagavathi, Statistics, S.Chand & Company Ltd., New Delhi, 2008, (7th Revised Edition)

CORE-III: INDIAN ECONOMIC DEVELOPMENT

Objectives

- Understand the current economic problems.
- Critically evaluate the Government Policies.

Unit I

Economic Development and Planning: Approaches to Economic Development and its Measurement – Sustainable development – Role of State, Market and other Institutions – Indicators of Development – Human Development Index (HDI) – Gender development indices. Objectives and strategy of Planning in India – Achievements and Failures of Plans– first five plan to XII Five Year Plan –NITI Aayog-objectives and functions.

Unit II

Demography, Poverty, Inequality and Regional Development: Demographic Features of Indian population – Rural-urban migration – Urbanization and civic amenities. Issues in Poverty and inequality. Social infrastructure – Education, health and environment, Regional imbalance – Issues and policies in financing infrastructure development.

Unit III

Agriculture and Industry: Agriculture – Institutional Structure – Land Reforms – Technological change – Pricing of inputs and outputs – Terms of trade between agriculture and industry; Price policy – Agricultural Marketing and Warehousing – Issues in food security – Policies for sustainable agriculture. Industry – Policy – Growth and pattern of industrialization – Public Sector enterprises – Privatization and disinvestment – Small-scale sector – Productivity – Approaches for employment generation.

Unit IV

Money, Banking Public Finance: Review of monetary policy of RBI – Bank Rate – Market operations – Reserve ratio – Money and capital markets – SEBI. Review of Fiscal Policy of India – Revenue – Expenditure – Debt – Budgets – Tax Structure – Deficit Financing – Finance Commissions.

Unit V

External Sector and Economic Reforms: Structure and direction of foreign trade – FDI & FII in India – Progress and Rationale of internal and external reforms – Globalization of Indian Economy – W.T.O. and its impact on the different sectors of the economy – Competition Bill – Need for and issues in good governance.

References

- Ahluwalia, I.J and I.M.D. Little (Eds.) (1999), India's Economic Reforms and
- Development. (Essays in Honour of Manmohan Singh), Oxford University Press, ND.
- Bardhan P.K., (1999), The Political Economy of Development in India, Oxford
- University Press, ND.
- Brahmananda, P.R. and V.A Panchmukhi (Eds) Development Experience in the Indian
- Economy: Inter – State Perspectives, Bookwell, Delhi.
- Dutt. R. and K.P.M Sundaram (2013), Indian Economy, S. Chand & Co., New Delhi.
- Government of India, Economic Survey, (Annual), Ministry of Finance, New Delhi.
- Sen R.K. and B. Chatterjee (2001), Indian Economy: Agenda for 21st Century (Essays
- in honour of Prof.P.R.Brahmananda) Deep & Deep Publications, New Delhi.

CORE IV: PUBLIC ECONOMICS

Objectives

- Know the revenue and expenditure of the Government.
- Evaluate both the Central and State Budget of the Government.

Unit I

Role of State: Major fiscal functions – Allocation function – Distribution function – Stabilization function – Theory of Public goods – Provision of Private goods – Public goods – Merit and mixed goods – Market failure.

Unit II

Public Expenditure: Structure and Growth – size of Public expenditure – causes of Public expenditure growth – views of Public Expenditure – Adolph Wagner, Peocock, Wiseman, Colin Clark Theories – Samuelson Theory under General Equilibrium – Evaluation of Public Expenditure – Estimation – Analysis of cost – Benefits – Effects of Public expenditure – Principle of Maximum Social Advantage by Musgrave and Dalton.

Unit III

Public Revenue: Theories of taxation – cost of service theory – Benefit theory (Lindahl's and Bowen's models) – Ability to Pay theory – Taxable capacity – Effects of taxation – Shifting of incidence of taxation – Modern theory – Forward and Backward Shifting – composition of Indian Tax Structure – Income tax – Corporation tax – Property tax – Indirect taxes – VAT-GST and its impact.

Unit IV

Public Debt: Theories of public debt – Role of Public debt in a developing country – Methods of borrowings of Debt – Problems of repayment – Debt Management – Deficit financing.

Unit V

Fiscal Policy and Fiscal Federalism: Objectives of fiscal policy – Role of fiscal policy in developing countries – Supply side fiscal policy – Interdependence of fiscal and monetary policies – Types of Budget-performance of Budget – Zero Base Budget – Principles of fiscal federalism – Finance commissions – Centre – State financial relations in India – Local Finance in India.

References

- Ursula K. Hicks, Public Finance, James Nishet and Company Ltd.
- Musgrave R.A., The Theory of Public Finance, McGraw Hill, Tokyo.
- M.C.Vaish and H.S.Agarwal, Public Finance, Wiley Eastern Ltd.
- Richard A. Musgrave and Peggy B.Musgrave, Public Finance – Theory and Practice.
- David A Starlet, Foundation of Public Economics, Cambridge University Press, New York, 1989.
- S.K.Singh, Public Finance in Developed and Developing Countries, S.Chand and Company Ltd., New Delhi, 1982.
- S.K.Singh, Public Finance in Theory and Practice, S.Chand and Co., New Delhi, 2004.

Elective I: MONETARY ECONOMICS

Objectives

- Make the students understand the theories of money.
- Help the students to know the policies of banking.
- Enable the students to learn the functions of banking in the economy.

Unit I

Theories of Money :   Value of Money – Quantity Theory: Fisher's and Cambridge Approach – Reformulated Quantity Theory – Keynes – Patinkin's Integration Theory – Restatement of the Quantity Theory – Friedman – Liquidity Approach: Radcliffe-Sayers, Gurley-Shaw Thesis.

Unit II

Demand for and Supply of Money: Supply of Money – Measurement (M_1, M_2, M_3 and M_4) – High Powered Money – Money Multiplier – Demand for Money – Pre-Keyensian Approach – Keyensian Approach – Post-Keyensian Approach – Baumol's Inventory Approach and Tobin's Portfolio Approach.

Unit III

Money and Interest: Money and Interest – Money Supply – Demand for Money, Income and Interest – Classical Theory – Loanable Funds Theory – Wicksell's Theory – Keyenesian Theory – Modern Theory – Term Structure of Interest Rates – Segmented Markets Theory – Expectations Theory.

Unit IV

Inflation and Deflation : Inflation – Demand Pull Theory: Inflationary Gap and Excess Demand – Cost Push Theory – Wage Push, Mark-up Pricing and Profit Push – Deflation – Concepts – Stagflation – Sectoral Demand Shift Theory – Effects and Control of Inflation – Phillips Curve.

Unit V

Banking and Monetary Policy: Banking – Credit Creation by Commercial Banks – NPA – Role of Central Banks – Monetary Policy – Credit Control – Instruments and Methods – Monetary Committee – Lags in Monetary Policy – Monetary Policy in an Open Economy.

References

- Kindleberger, P.Charles (1985) Keynwsianism vs Monetarism and Other Essays in Finacial History, Heritage Publishers, New Delhi.
- Harris L. (1985), Monetary Theory, McGraw Hill, New York.
- Mankiw N. Gregory (2007), Macroeconomics, Worth Publishers, New York.
- Misra S.S. (1981), Money, Inflation and Economics Growth, Oxford and IBH Published Co., New Delhi.
- Suraj b. Gupta, Monetary Economics, Institutions, Theory and Policy, S.Chand and Co., Rana K.C. and K.N.Verma(2007) Macro Economic Analysis, Vishal Publishers, New Delhi.

CORE V: ADVANCED MACRO ECONOMICS

Objectives

- Enable the students to learn the principles of Macro Economics.
- Make the students to understand to study the Macro Economics problems.
- Help the students to understand the role of Government in the economic functioning of the economy.

Unit I

Macro Economics, Scope and Dynamics: Macro Economics – Definition – Circular flow of Income – Two – Three – Four Sector Model – National Income – Measurement – Problems – Accounting – Social Accounting.

Unit II

Consumption & Investment Functions : Keynes Psychological Law of Consumption - Absolute Income – Relative income – Permanent Income Hypothesis – Life cycle Hypothesis – Marginal Efficiency of Capital and Investment – Investment Multiplier – Accelerator – Super Multiplier.

Unit III

General Equilibrium: Classical Theory and Long-run Equilibrium – Keynasian Theory and Short-run Equilibrium – Aggregate Supply and Aggregate Demand – IS-LM Model.

Unit IV

Business Cycle: Business Cycles – Theories of Schumpeter – Keynes – Kaldor – Samuelson – Hicks – Inflation – Unemployment and Modified Phillips Curve.

Unit V

New Classical Macro Economic Policy: Genesis – Monetarism – Supply side economics – Rational Expectation Hypothesis, Macro Economic Policy – Objectives – Features – Functions – Mundell-Flemming Model – Fiscal – Monetary and Trade Policy Effects.

References

- Branson W.A. (1989), Macroeconomic Theory and Policy, Harper and Row, New York.
- D'souza, Errol (2008), Macroeconomic, Person Publication, New Delhi.
- Hall R.E. and J.B. Taylor (1986), Macroeconomics, W.W.Norton, New York.
- Jha R. (1991), Contemporary Macroeconomic Theory and Policy, Wiley Eastern Ltd., New Delhi.
- Mankiw N. Gregory (2007), Macroeconomics, Worth Publishers, New York.
- Mcconnell C.R. and H.C.Gupta (1987), introduction to Macroeconomics, Tata-Mcgraw Hill, Delhi.
- Rana K.C. and K.N.Verma (2007), Macro Economic Analysis, Vishal Publishers, New Delhi.

CORE VI: MATHEMATICAL METHODS FOR ECONOMIC ANALYSIS

Objective

- To understand the procedures and importance of mathematical tools in order apply them for better and correctly understanding the discipline Economics.

Unit I

Terminology, Concepts and tools : Addition, subtraction, multiplication and division of fractions and decimals – square roots – logs – equations – linear, non-linear, simple, multiple - constants, variables, parameters, intercepts -coefficients – slopes - functions – inverse, general and specific functions – equations with two and three unknowns – applications – demand and supply functions – cost and revenue functions – consumption function – IS & LM functions – multivariable and non-linear functions – market equilibria.

Unit II

Differential Calculus : Rules of differentiation – slopes – marginal values - linear and non linear functions – derivatives of higher order – point elasticity of demand – functions of more than two variables -cross partial derivatives – higher order derivatives – Young's Theorem – constrained & unconstrained optimization – Lagrangian Multiplier – Interpretation – Use of derivatives in economics – maximization, minimization - Utility function – production function – revenue, cost and profit functions

Unit III

Integration : Concept – constant of integration - simple rules of integration- methods of integration – integration by parts – definite integrals - area between two curves – properties of definite integrals – applications – compound interest – present value – discounted value - consumer's surplus & producer's surplus-costs & revenues

Unit IV

Matrices : Matrices – null, square, rectangular, symmetric matrices – row, column vectors – addition, subtraction, multiplication of matrices – determinant – properties of determinants - cofactor, transpose, adjoint and inverse matrices - Fundamentals of linear algebra-matrix, conversion of equations into matrices - solving equations – Cramer's rule- uses-Input-Output analysis – coefficient matrix – Hawkins- Simon conditions - open and closed models

Unit V

Linear Programming and Game Theory : Basic Concepts, formulation of an LP problem-feasible, basic and optimal solution – graphic method – feasible region - simplex methods – slack and surplus variables – degeneracy -- formulation of the dual of a programme and its interpretation – Applications of LP technique - Game Theory – pay-off matrix - zero-sum games and non-zero-sum games – saddle point – mixed strategy and dominated strategy

References

- Agarwal and Joshi (1983), Mathematics for Economist, The New Academic Publishing Co. Jalandhar.
- Allen, R.G.D. (1974) Mathematical Analysis of Economists, Macmillan Press and ELBS, London
- Baumol, W.J. (1984) Economic Theory and Operations Analysis, Prentice Hall. Englewood Cliffs, New Jersey
- Chiang, A.C. (1986) Fundamental Methods of Mathematical Economics, McGraw Hill, New York
- Monga, G.S. (1972), Mathematics and Statistics for Economists, Vikas Publishing House, New Delhi
- Salvatore Dominick (1992) Mathematics for Economists, Schaum Series
- Weber (1986) Mathematical Analysis – Business and Economic Applications
- Yamane, Taro (1975) Mathematics of Economists, Prentice Hall of India, New Delhi
- Schaum's series, Maths for Economists.

CORE VII: ECONOMICS OF GROWTH & DEVELOPMENT

Objectives

*   To analyze theoretical and empirical issues in economic growth and development.
*   Give importance to sustainable development in agriculture.

Unit I

Economic Growth: Economic growth and development – Factors affecting economic growth - Capital, Labour and Technology – Growth Models – Harrod and Domar instability of equilibrium – Neo-classical growth models – Solow and Meade, Mrs.Joan Robinson's growth model – Cambridge criticism of Neo-classical analysis of growth.

Unit II

Social and Institutional Aspects of Development: Development and underdevelopment – Perpetuation of underdevelopment; Poverty – Absolute and relative; Measuring development and development gap – Per capita income, inequality of income, Human development index and other indices of development and quality of life – Food security, education, health and nutrition; Human resource development; population problem and growth pattern of population – Theory of demographic transition; Population as limits to growth and as ultimate source – Population, poverty and environment.

Unit III

Theories of Development: Classical theory of development – contributions of Adam Smith, Ricardo, Malthus and James Mill: Karl Marx and development of capitalistic economy – theory of social change, surplus value and profit; Immutable laws of capitalist development; Crisis in Capitalism – Schumpeter and capitalistic development; innovation – role of credit, profit and degeneration of capitalism; Structural analysis of development; Imperfect market paradigm.

Unit IV

Sectoral Aspects of Development: Role of agriculture of economic development; Efficiency and productivity in agriculture, New technology and sustainable agriculture; Globalization and agriculture growth; Rationale and pattern of industrialization in developing countries; the choice of techniques and appropriate technology and employment; efficiency of small-scale vs large-scale production; Terms of trade between agriculture and industry; Infrastructure and its importance; labour markets and their functioning in developing countries.

Unit V

Trade and Economic Development: International trade as engine of growth; Static and dynamic gains from trade; Prebisch, Singer and Myrdal thesis vs free trade: Export-led growth: Dual gap analysis; Balance of payments; Tariffs and effective protection; Post-GATT international economic order; WTO and developing countries.

References

- Adelman I., Theories of Economic Growth and Development (Stanford, Stanford university press, 1961).
- Kindleberger C.P., Economic Development (Third Edition, New York, McGras Hill 1977).
- Sen A.K., Growth Economics (Ed) (Penguin, Harmondsworth, 1990).
- Taylor L., Macro Models for Developing Countries (New York, McGraw Hill, 1979).
- Myrdal G. Economic Theory and Underdevelopment Regions, London, Duckworth, 1957.
- Schumpeter J.A. The Theory of Economic Development, Cambridge, Harvard University Press Mass, 1949.
- Grossman G. and E.Helpman, Innovation and Growth in the Global Economy (Cambridge, MIT Press Mass 1991.
- Kuznets, Simon, Economic Growth of Nations, Total Output and Production Structure (Cambridge, Harvard University Press Mass 1971).
- Brahmananda P.R. and C.N.Vakil, Planning for an Expanding Economy (Bombay, Vora and Co., 1956).
- Gupta S.B., Monetary Economics, institutions, Theory and Policy (New Delhi, S.Chand and Co., 1988).

CODE: P18EC2:2   **CREDITS: 4**

ELECTIVE II: HUMAN RESOURCE DEVELOPMENT

Objectives

1. to grasp the importance of human resource as human capital
2. to analyse the concepts related to human resource
3. to enable the students to acquire leadership skills.

Unit I

Economic Development and Human Development : Concepts – Meaning – Significance – issues – overview of indicators of Human Resource Development – Human Resource Development Strategies.

Unit II

Human Capital Formation : Education and Economic development approaches to Human Capital Formation – Schultz's approach – Becker's Approach – New Education Policy – Brain drain – Brain gain Causes and Effects and Measures.

Unit III

Human Health and Development : Health indicators – Health and Economic Development – new Health Policy – Family Welfare and Planning – National, Youth Policy – Concept of Health Insurance.

Unit IV

Human Resource Planning : Concepts – Objectives – Need – Process and Methods – Job Analysis – Skills – Performance Analysis Methods and Challenges – Human resource Forecasting and Methods.

Unit V

Gender Dimensions of Human Resource Development : Rationale – Gender disparity – Education, Employment and Earning (Triple 'E') – Gender Empowerment measures (GEM) – Women Empowerment dimensions and measures – Concept of Human Development Index (HDI) and Gender Development Index (GDI).

References

- G.R. Mathan, Indian Social Problems, Sultan Chand & Co., New Delhi, 2000.
- Dalt, Ruddar and KPM Sundaram, Indian Economy, Sultan Chand & Co., New Delhi, 2018.
- Theodre W. Schultz, Investment in Human Capital, American Economic Review, Research Edition.
- K. Ashwathappa, Human Resource and Personnel Management, Tata McGraw Hill Publishing Company Ltd., New Delhi, 2005.
- R.S. Dwivedi, Human Resource Management, Vikas Publishing House, New Delhi, 2011.
- Pravin Durai, Human Resoruce Management, Pearson Publication, New Delhi, 2010.

ELECTIVE III: NOBEL LAUREATES IN ECONOMICS AND THEIR CONTRIBUTION

Objectives :

1. To prepare the students with basic knowledge regarding the origin and development of economic ideas and contribution of Nobel Laureates.
2. To enable the students to compare, analyze and apply this to present changes in the economy.

Learning Outcome

On the successful completion of the course

1. Students can be able to understand the contribution of Nobel Laureates in Economics.
2. Students can be able to prepare or construct various economic models for the research purpose.

Unit I :

The Sveriges Riksbank Prize in Economic Sciences – Rationale of Nobel Prize – History – The facts about Nobel Prize.

Unit II :

Nobel Memorial Prize in Economic Sciences in 20 and 1 – Jean Tirole (2014) Analysis of market power – regulation – Angus Deaton (2015) Analysis of Consumption, Poverty and Welfare.

Unit III :

Nobel Laurates of Economics in 2016-2017 – Oliver Hart and Bengt Holmstrom – Contributions to contract theory – Richard Thaler (2017) – Contribution to behavioural economics and finance.

Unit IV :

Nobel Laurates in Economics (2018) – Paul.M. Romer – Progress and possibility of progress – Innovation into long-run macro economic analysis – William.D.Nordhaus – Climate change – the ultimate challenge for economics.

Unit V :

Amartya Sen (1998) – Social Welfare and Economic Justice : Sen on poverty – identification of poverty – Conventional Approach – Limitations of Conventional Approach – Measurement of Poverty – Existing techniques – Sen's Index – Sen on Economic Development – Sen of Employment.

References :
Lokanathan.V., **A History of Economic Thought,** S.Chand & Company Ltd., New Delhi, 2011.

Paul.R.R., **History of Economic Thought,** Kalyani Publishers, Ludhiana, 2013.

CORE VIII : INTERNATIONAL ECONOMICS

Objectives

1. to understand and analyse the theories of International trade
2. to appreciate the economic development of countries through international trade
3. to understand the international trade relations between the countries of the world through the international institutions and agreements

Unit I

Introduction and theories of International Trade : Need for and features of International Trade – Theory of Reciprocal demand – H.O. Theorem – Factor Price Equalisation Theorem – Samuelson Theorem – Rybenzynski's Theorem – Paul Krugman's Intra-Industry Trade Theory.

Unit II

Terms of trade and Barriers to Trade : Concepts of terms of Trade – Net Barter Terms of Trade – Gross Barter Terms of Trade – Prebisch – Singer Thesis – Tariffs – Non-Tariff Barriers – Welfare implications of Tariff – Trade Blocs : EEC – OPEC, SAARC, SAPTA, European Union.

Unit III

Foreign Exchange and Market Theories : Meaning – Importance – Determination of Foreign Exchange – Balance of Payments – Market Theories – Monetary Approach and Portfolio Approach.

Unit IV

International Institutions : Flow of Capital, Technology and Services – Euro – Dollar Market – International Financial Institutions – IMF, World Bank, IFC & IDA.

Unit V

Trade and Development : Trade and Development Issues – North South Dialogue – South – South Economic Cooperation – South East Asian Crisis and its Lessons for Developing Countries – WTO – Criticisms.

References

1. Bhagwadi, J.N. (1987). International Trade : Selected Readings, MIT Press, Coimbatore.
2. K.C. Rana & K.N. Verma, International Economics, Vishal Publishing Co., New Delhi, 2016.
3. M.L. Jhinagan, International Economics, Virinda Publuications, New Delhi 2016.
4. Francis Cherunilam, International Economics, Tata McGraw Hill Publishing Company, New Delhi, 2006.
5. Paul R. Krugman Maurice Obstfeld, International Economics, Theory and Policy, VI Edition, Pearson Education, New Delhi, 2004.

CORE IX : ECONOMETRICS

Objectives

- Understand the main techniques of quantitative economics and econometrics including their strengths and limitations.
- Understand how these techniques can be applied to test economic theories and measure economic magnitudes.
- Critically appraise work in the area of applied economics.

Unit-I

Definition and Scope of Econometrics : Definition, Scope and Division of Econometrics - Methodology of Econometric research - Correlation theory - Simple linear regression model: Ordinary Least Squares Method (OLS). Statistical test of significance of the estimates - Properties of the least squares estimates.

Unit-II

Multiple Regression and Extensions : Multiple regression and other extensions of the simple linear regression model - Regression and analysis of variance - Second order tests: Assumptions of Randomness, Zero mean, Constant variance and Normality of the disturbance variable (u).

Unit-III

Auto-correlation & Multicollinearity : Auto-correlation, Multicollinearity and Heteroscedasticity – Causes detection, consequences and remedy - Dummy variable, Distributed lags – Need, limitations and interpretation in Economics.

Unit-IV

Simultaneous Equation Models : Simultaneous Equation Models: Structural and reduced forms – Endogenous and Exogenous variables – Identification Problems and conditions – Single equation methods of estimation: TSLS, Indirect least squares and least variance ratio.

Unit-V

Application of Econometrics : Econometric Applications to Consumption function - Estimation of elasticities – Estimation of Linear and Cobb-Douglas production function – Cost function – Measurement of Technical change.

Note :   Problems may be asked only from the following areas

a)   Correlation
b)   Estimation of parameters as per OLS/GLS Model
c)   Test of significance

References

*   A.Koutsoyiannis, (1992) "Theory of Econometrics: An Introductory Exposition of Econometric Methods", McMillan Education Ltd.
*   Damodar Gujarathi, (1999) "Basic Econometrics", 4th ed., Tata McGraw Hill Ltd.
*   Suresh K.Ghose "Econometrics", Prentice Hall of India private limited, New Delhi.

CORE X : RESEARCH METHODOLOGY IN ECONOMICS

Objectives

- Know the application of statistical tools in research.
- Understand the importance of research in economics.
- Learn to write a research proposal / research report.

Unit I

Objective & Scientific Research: Science – Its meaning and Characteristics – The meaning of 'research' – Specific features of research in Social Sciences as opposed to Physical and Natural Sciences – Objectivity in research – Basic categories in scientific method – Facts – Concepts – Causality – Uncertainty – Probability – Dialectical and Historical Materialism.

Unit II

Research Methods: Methods of Research – Deductive and Inductive Reasoning – Steps of Scientific Method – Historical Method – Case Study – Qualitative Research techniques – Ethno methodology – Reflective and evaluative research – Sample surveys – Sampling methods – Sampling design.

Unit III

Criteria for Research Design: Steps in research – Formulation of a Research problem – Guiding principles in the choice of a research topic – role of survey of literature – Formulation of research design – Model building – Hypothesis: concept, definition, formulation and testing.

Unit IV

Techniques of Data Collection & Processing: Tools observation, schedule, questionnaire, projective techniques – Primary and secondary data – Principles underlying construction of a questionnaire – Preparations of master table – Data processing – Analytical Tables.

Unit V

Report Writing: Drafting of Report – Structure and General format – Style – Use of footnotes – Citations – Presentation of tables, diagrams, charts and maps – Bibliography.

References

- Ghosh B.N. (1982), – Scientific Method and Social Research, New Delhi, Sterling Publications.
- Goode W.J. & Hatt P.K., (1952), – Methods in Social research, New York, McGraw Hill.
- Kothari C.R., (1991), – Research Methodology (Methods & Techniques), New Delhi, Wiley eastern Ltd.

CORE XI: SOCIAL ECONOMICS

Objectives

* Study the various social issues and problems.
* Understand the ways to solve the social problems in society.

Unit I

Social Economics – Definition equality in Human Societies (employment) – Principles of Social doctrines – Gandhi, Marx and Pope.

Unit II

The world Poverty situation – causes and consequences – Requisites of economic growth – Role of Government – Social security – Subsidies – Social banking – Refigees, Slavery and Beggary.

Unit III

Problems in Education and Health Services – Energy Crisis and related issues.

Unit IV

Economic Crimes and their Prevention – Black Money – Parallel Economy – Economics of Good Governance – Social Cost and Benefit Analysis.

Unit V

Discrimination: Sources, kinds and costs – Consumerism – provision of information – Protection from business manipulations – Social Exclusion concept, types – Inclusive policy perspective for Future.

References

- Culyer A.J. Re Economics of Social Policy (London: Martin Robertson and Co. Ltd. 1973).
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ELCTIVE IV: ENTREPRENEURSHIP DEVELOPMENT

Objectives

- Know the functions and factors affecting entrepreneurship.
- Understand the various Entrepreneurship Development Programmes and Financial Institutions assisting Entrepreneurs in general and Women Entrepreneurs in particular.

Unit I

Concept & Types of Entrepreneurship: The concept of Entrepreneurship – Functions and types of Entrepreneurship – Entrepreneur Vs Entrepreneurship – Role of Entrepreneurship in Economic Development – Entrepreneurial Class – its emergence in India – Women Entrepreneurship – Concept – Types – Growth and Development of Women Entrepreneurs – problem & measures.

Unit II

Theories of Entrepreneurship: Theories of Entrepreneurship – Schumpeter – Peter Drucker – Hagen – McClelland – Frank Young – Modern Resource based theory – Entrepreneurs and Managers – Indian and Asian Entrepreneurship.

Unit III

Project Formulation: Search fir business idea – sources, idea processing and selection – Project – Classification – Aspects of project – Project life cycle – Project identification – Project formulation – Stages – Project design and network analysis – Project report – Meaning – Appraisal – Concept and stages – Financial Feasibility & Economic viability.

Unit IV

Entrepreneurship Development Programme : Steps involved in starting a new venture – Licensing – Registration – Plant location – Raw material, water and power, machinery – Manpower – Entrepreneurship Training – Role of EDPs – Evolution – Objectives – Target groups – Institutions offering EDPs.

Unit V

Institutional Finance: Institutional arrangements for entrepreneurship development – IFCI, IDBI, SIDBI, IRBI, SFC, DIC, TIIC, EXIM Bank and commercial banks – Venture capital – Micro Finance.

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CORE XII: ECONOMIC THINKERS

Objective

- To understand as to how contemporary economics came to be what it is.

Unit I

Early economic thought : Economic thought of Plato – origin of city-state – the ideal state - Aristotle – private property – philanthropy – the Islamic thought riba [interest] – Islamic Banking - Kautilya's views – wealth – public finance – welfare state - Economic ideas of Thiruvalluvar–poverty – begging – agriculture –public finance - Mercantilism –role of the state, money, interest - Thomas Munn – Physiocrats - laissez-faire - natural order, primacy of agriculture, social classes.

Unit II

Classical thought : Adam Smith – division of labour – value – role of government – canons of taxation - Jeremy Bentham –utility – happiness- Thomas Robert Malthus– theory of population – David Ricardo – political economy – value - rent – theory of comparative cost - J.B. Say – productive and unproductive labour – law of markets – John Stuart Mill - Economic Ideas of Karl Marx – materialistic interpretation of history – class struggle – surplus value - Dynamics of social change - crisis of capitalism.

Unit III

New economic ideas : Marginalism –Leon Walras - general exchange equilibrium – Austrian School – Alfred Marshall - diagrammatic approach – marginal utility and demand – consumer's surplus – elasticity of demant – laws of return - quasi-rent -- J.B.Clark – Irving Fisher –Paul Samuelson - Wassily W Leontief – Milton Friedman – Arthur Lewis – Franco D.Modigliani – Michal Kalecki – Paul M Sweezy - Gary S.Becker - John F.Nash – Robert E.Lucas – Robert A.Mundell– Paul Krugman – ElinorOstron - Jean Tirole- A C Pigou - J.A.Schumpeter's concept of entrepreneur and innovations - Mrs. Joan Robinsons idea of Imperfect Competition and C.A. Chamberlin's idea of Monopolistic Competition – Milton Friedman – Simon Kuznets – Laffer – Phillips - Michael Lipton – JagdishBhagwati - Institutional school – Veblen, J K Galbraith, Gunnar Myrdal - New Institutional Economics – Douglas C.North, Robert W. Fogel, George A. Akerlof – Michael Spence – Joseph E.Stiglitz- Formal and Informal Institutions – Information economics - Ronald Coase – Posner.

Unit IV

Economics of Keynes and Keynesian economics : Aggregate economy – consumption function – MPS – MPC - liquidity preference theory and liquidity trap, marginal efficiency of capital and marginal efficiency of investment, wage rigidities, underemployment equilibrium- role of fiscal policy: deficit spending and public works, multiplier principle, cyclical behaviour of the economy, uncertainty and role of expectations, impetus to economic modeling. Keynesian school - JR Hicks, Hansen, Khan - Welfare School **–** Edgeworth – Pareto **-** J.R.Hicks –Indifference curve analysis – consumer's equilibrium - price, income and substitution effects – iso cost and product curves –**.**

Unit V

Indian Economic Thought : DadabhaiNaoroji– M K Gandhi –Village, Swadeshi, place of machine and labour, cottage industries, trusteeship - J.C.Kumarappa - – J Nehru -   Early approaches to planning – P C Mahalanobis - B R Ambedkar–The Problem of the Rupee - E.V. Ramasamy – V K R V Rao – National income methodology - PR Brahmananda – Rath and Dandekar -V K R V.Rao– D R Gadgil – Indira Gandhi – Bank Nationalisation – MRTPAct - 20-Point programme – V.M.Dandekar and N.Rath - AmartyaKumar Sen – C N Annadurai – M G Ramachandran.

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CORE XIII: ENVIRONMENTAL ECONOMICS

Objectives

- Create awareness among the students about the environmental protection.
- Make the students understand the importance of conservation of resources.
- Enable the students to know environmental problems, programmes, policies, methods and control.

Unit I

Nature, Scope and Significance of Environomics: Environment Vs Development – Environment Vs Material Balance Approach.

Unit II

Theories of Environmental Economics: The Camberland – IsardiCaly Input – Output model – the modified Leontief abatement model – The Ayres – Kneese model – Coase theorem – Concept of Carbon credits.

Unit III

Global Environmental Problems: Green House Effect – Climate change – Global Warming – Renewable and non-renewable Resources – Need for conservation of Resources – Conservation of Forest – Water Resources – Soil Resources – Energy Resources – Conservation of Biodiversity.

Unit IV

Environmental Planning and Management: Problems in maintaining ecological balance, waste management – Protection of Biosphere – Application of Benefit Cost analysis to resource management – Natural resource management in Tamil Nadu – Water – Land – Forest – fisheries mineral resources – a few case studies – Biotechnology Vs Eco-friendly technology.

Unit V

Environmental Management: Concepts – Objectives – Acid Rain – Ozone Depletion – Trade Related Environmental Issues – People's Movement – Environmental law – Air Act – Water Act – Environmental Protection Act1986 – Pollution Control Board – Earth Submit.

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CORE XIV: INDUSTRIAL ECONOMICS

Objectives

- Understand the theories of the firm and its legislations.
- Know the principles, operational policies and practices of the financial services sector to meet the growing needs of the economy.

Unit I

Theory of the Firm and Pricing: Objectives of the firm – Assumption and objectives of the Traditional theories of the firm – Managerial theories – Behavioural theories – Pricing policies and practices – Pricing methods – Product line coverage and pricing – Pricing and advertising.

Unit II

Industrial Legislations: Monopoly and Concentration – Measurement of market concentration – MRTP Act – FERA – Sickness in Indian industry – Small scale enterprises – Role of SSI in Indian Economy – Small scale sector policy – EXIT policy – Golden Hand shake policy – SEZ policies – R&D policy – Venture capital – MSME.

Unit III

Industrial Finance: Need for finance – Types of finance – Sources of finance – Development banking – IFCI – IDBI – SFCs – SIDBI – Funds flow statements – Need, managerial use and limitations.

Unit IV

Investment Decision: Financial ratio Analysis – Interpretation and Classification of Ratios – Methods of Project Evaluation – The Payback method, NPV, IRR – Assessment of Investment Appraisal Techniques – Inventory Investment Appraisal Profitability.

Unit V

Measurement of Industrial Efficiency: Meaning and Measurement of Efficiency of Factors – Theory of Production function – Cobb-Douglas and CES – Measurement of Productivity – Partial Factor Productivity – Incremental Productivity Ratio – Total Factor Productivity – Kendrick, Solow indices – Measurement of Technical change.

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ELECTIVE V: ECONOMICS OF INFRASTRUCTURE

Objectives

- Know the basic concepts of infrastructure.
- Evaluate the recent development of infrastructure.

Unit I

Infrastructure and Public Utilities: Infrastructure: Meaning importance and role in Economic Development – Major sectors of infrastructure: Transport, Energy and Communication – Public utilities: Special Characteristic of public utilities – Principles and policies of pricing in public utilities – Infrastructure financing: Sources and schemes.

Unit II

Transport Economics: Meaning & Scope of Transport Economics – Modes of transport: Road, Water, Rail and Air – Demand for transport – Models of fright and passenger – Cost functions in the transport sectors – Sectoral issues in transportation: Air, Rail, Road and Ports – Multimodal transport – Integrated transport.

Unit III

Economics of Energy: Energy and economic development – Major source of energy: Electrical, Petrol, Oil and Gas – Factors determining demand for energy – Effects for energy shortage – Energy conservation.

Unit IV

Information & Communication: Postal Services – Characteristics and coverage – Tele communication: Network, Telephone traffic and pricing – Basic services and Cellular services – Computer – Internet connectivity and services – Privacy and Cyber crimes.

Unit V

Travel and Tourism: Tourism and economic development – basic travel motivation – Role of State in promoting Tourism – the organization of Tourism – Tourism development and planning – Infrastructural requirements for marketing of Tourism – Eco-Tourism.

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PROJECT