

Department of Economics
MADHABDEV UNIVERSITY
Draft Course Structure of FYUGP

Sl No	Semester	Course Code	Major/Minor	Title of the Paper	Credit Major	Credit Minor
1	I	ECOM101	Major	Introductory Microeconomics	4	
2		ECON101	Minor	Elementary Microeconomics		4
3	II	ECOM201	Major	Introductory Macroeconomics	4	
4		ECON201	Minor	Elementary Macroeconomics		4
5	III	ECOM301	Major	Mathematical Methods for Economics -I	4	
6		ECOM302		Public Economics	4	
7		ECON301	Minor	Introduction to Development Economics		4
8	IV	ECOM401	Major	Statistical Methods for Economics	4	
9		ECOM402		Indian Economy - I	4	
10		ECOM403		Money and Financial Market	4	
11		ECOM404		Development Economics – I	4	
12		ECON401	Minor	Money and Financial Market		4
13	V	ECOM501	Major	Intermediate Microeconomics	4	
14		ECOM502		Intermediate Macroeconomics	4	
15		ECOM503		Mathematical Methods for Economics - II	4	
16		ECOM504		The Economics of North East India	4	
17		ECON501	Minor	Indian Economy		4
18	VI	ECOM601	Major	Indian Economy – II	4	
19		ECOM602		Development Economy – II	4	
20		ECOM603		International Economics	4	
21		ECOM604		Basics Econometrics	4	
22		ECON601	Minor	Entrepreneurship Development		4
23	VII	ECOM701	Major	Advanced Microeconomics	4	
24		ECOM702		Advanced Macroeconomics	4	
25		ECOM703		History of Economic Thought	4	
26		ECON701	Minor	Basic Statistics for Economics		4
27	VIII	ECOM801	Major	Basic Demography	4	
28		ECOM802		Environmental Economics	4	
29		ECOM803		Basic Econometrics	4	
30		ECON801	Minor	Basic Mathematics for Economics		4
Total Credit					88	32

Semester I
B.A. /BSc (Major) Economics

ECOM101: INTRODUCTORY MICROECONOMICS (4 Credits)

Full marks: 100 (Mid Term-30 + End Term-70)

Course Description

This course is designed to expose the students to the basic principles of microeconomic theory. The emphasis will be on thinking like an economist and the course will illustrate how microeconomic concepts can be applied to analyze real-life situations.

Units	No of Lecture hours	No of Tutorial hours	Marks
1 Exploring the subject matter of Economics: Why study economics? Scope and method of economics; Scarcity and choice; Types of Microeconomic Analysis, Goals of Microeconomics- Growth and Efficiency; The economic problems: the question of what to produce, how to produce and how to distribute output; Economic models: Verification and general features of economic models ; the basic competitive model - prices, property rights and profits; incentives and information; rationing; opportunity sets; economic systems- Command, Free Market and Mixed; reading and working with graphs.	12		14
2 Supply and Demand: How Markets Work, Markets and Welfare: Markets and competition; determinants of individual demand/supply; demand/supply schedule and demand/supply curve; market versus individual demand/supply; shifts in the demand/supply curve, demand and supply together; how prices allocate resources; elasticity and its application; controls on prices; taxes and the costs of taxation; consumer surplus; producer surplus and the efficiency of the markets.	12		14
3 The Household Behaviour and Consumer's Choice: The consumption decision - budget constraint, consumption and income/price changes, demand for all other goods and price changes; description of preferences (representing preferences with indifference curves); properties of indifference curves; consumer's optimum choice; income and substitution effects; labour supply and savings decision - choice between leisure and consumption.	12		14
4 The Firm and Perfect Market Structure Behaviour of profit maximizing firms and the production process; short run costs and output decisions- Basic concepts, relationships, output decisions: revenues, costs and profit maximization; costs and output in the long run, Long run costs: economies and diseconomies of scale. Imperfect Market Structure Monopoly and anti-trust policy; government policies towards competition; imperfect competition.	12		14
5 Input Markets Labour market - basic concepts (derived demand,	12		14

	productivity of an input, marginal productivity of labour, marginal revenue product); Labour markets- Firm using only one variable factor of Production- Labour, A firm employing Two Variable Factors of Production in the Short and long Run; Land market- Determination of Rent, Rent and the value of Output produced on land, Firm's profit-maximizing condition in input markets, Input demand curves; shifts in input demand curves; Resource Allocation and the Mix of Output in Competitive Markets, Distribution of Income- Marginal Productivity Theory; Competitive labour markets; and labour markets and public policy.			
Total		60		70

Reading List:

1. Karl E. Case and Ray C. Fair, Principles of Economics, Pearson Education Inc., 8th Edition, 2007.
2. N. Gregory Mankiw, Economics: Principles and Applications, India edition by South Western, a part of Cengage Learning, Cengage Learning India Private Limited, 4th edition, 2007.
3. Joseph E. Stiglitz and Carl E. Walsh, Economics, W.W. Norton & Company, Inc., New York, International Student Edition, 4th Edition, 2007.
4. G.S. Maddala and Ellen Miller, Microeconomics: Theory and Applications, Mc Graw Hill Education, Tenth Reprint, 2013, New Delhi Edition.
5. R. S. Pindyck, D. N. Rubinfeld and P. L. Meheta (2009): Microeconomics, 7th Edition, Pearson, New Delhi.

Semester II
B.A./ BSc (Major) Economics

ECOM201: INTRODUCTORY MACROECONOMICS (4 Credits)

Full marks: 100 (Mid Term-30 + End Term-70)

Course Description

This course aims to introduce the students to the basic concepts of Macroeconomics. Macroeconomics deals with the aggregate economy. This course discusses the preliminary concepts associated with the determination and measurement of aggregate macroeconomic variable like savings, investment, GDP, money, inflation, and the balance of payments.

Units	No. of Lecture hours	No. of Tutorial hours	Marks
<p>1 Introduction to Macroeconomics</p> <p>Macro vs. Micro Economics; Scope and limitations of Macroeconomics; Introduction to National Income - Concepts of GDP, GNP, NDP and NNP at market price and factor cost; Personal Income and Disposable personal Income; Real versus Nominal GDP, GDP Deflator. GDP and Welfare; Limitation of the GDP concept.</p>	12		14
<p>2 Rules and approaches of Measurement of GDP - Income, expenditure, product and Value added approaches, Difficulties of Estimating National Income, Circular Flow of Income and expenditure in two and four-sector economy; national income accounting for an open economy.</p>	12		14
<p>3 Definition and Functions of money; quantity theory of money – cash transactions and cash balance approaches, Friedman’s restatement of the quantity theory; Demand for Money – Classical, Neoclassical and Keynesian Approaches(Pre Keynesian, Keynesian, Friedman), The Keynesian Liquidity Trap and its Implications; Determination of money supply; credit creation, Supply of Money</p>	12		14
<p>4 Inflation – meaning, types, causes and effects; demand-pull and cost-push inflation; Inflationary gap; Deflation – meaning, effects; Inflation Vs. deflation;</p> <p>Hyperinflation– causes of hyperinflation, costs of hyperinflation; Anti-Inflationary Measures - Monetary policy and Fiscal policy.</p> <p>Cyclical Fluctuations: Trade cycle, Meaning and its Stages</p>	12		14
<p>5 Classical systems-Say’s Law, Theory of Determination of Income and Employment; Keynesian systems- Simple</p>	12		14

	Keynesian model of income determination; Aggregate Demand and Aggregate Supply, equilibrium aggregate output; Product market and the IS curve, Money Market and the LM curve, Determination of Equilibrium income and interest rate: the IS-LM model; fiscal and monetary multipliers.			
Total		60		70

Reading List:

1. Dornbusch, Fischer and Startz, *Macroeconomics*, McGraw Hill, 11th edition, 2010.
2. N. Gregory Mankiw. *Macroeconomics*, Worth Publishers, 7th edition, 2010.
3. Olivier Blanchard, *Macroeconomics*, Pearson Education, Inc., 5th edition, 2009.
4. Richard T. Froyen, *Macroeconomics*, Pearson Education Asia, 2nd edition, 2005.
5. Andrew B. Abel and Ben S. Bernanke, *Macroeconomics*, Pearson Education, Inc., 7th edition, 2011.
6. Errol D'Souza, *Macroeconomics*, Pearson Education, 2009.
7. Paul R. Krugman, Maurice Obstfeld and Marc Melitz, *International Economics*, Pearson Education Asia, 9th edition, 2012.

This is the first of a compulsory two-course sequence. The objective of this sequence is to transmit the body of basic mathematics that enables the study of economic theory at the undergraduate level, specifically the courses on microeconomic theory, macroeconomic theory, statistics and econometrics set out in this syllabus. In this course, particular economic models are not the ends, but the means for illustrating the method of applying mathematical techniques to economic theory in general.

Units		No of Lecture Hours	No of Tutorial Hours	Marks
1.	Preliminaries Logic and proof techniques; number systems, intervals; sets: types and set operations; Ordered pairs, Cartesian products, and relations.	12		14
2.	Functions of one real variable Functions and their properties and graphs; Types of functions- polynomial, rational, exponential, logarithmic; Sequences and series: convergence, algebraic properties and applications; Limit of a function; Continuous functions: characterizations, properties with respect to various operations and applications.	12		14
3.	Derivative for Functions of One Variable Differentiable functions: properties; derivative and slope of a curve, Rules of differentiation for a function with one independent variable; Application of derivatives; Second and higher order derivatives. Necessary condition for unconstrained maxima and minima, second order conditions.	12		14
4.	Integration of functions Indefinite integrals: Rules of integration; Techniques of integration- substitution rule, integration by parts and partial fraction. Applications to economic problems; Derivation of total functions from marginal functions Definite integrals; properties of definite integrals; Application in case of consumer's surplus and producers surplus.	12		14
5	Differential Equations: Linear first order differential equation with constant coefficient and constant term Economic applications.	12		14
Total		60		70

Reading List:

1. K. Sydsaeter and P. Hammond, *Mathematics for Economic Analysis*, Pearson Educational Asia: Delhi, 2002.
2. Chiang, A.C.: *Fundamental Methods of Mathematical Economics*, Fourth edition, McGraw Hill 2005.
3. Hoy, M., J. Livernois, C. McKena, R. Rees, and T. Stengos: *Mathematics for Economics*, PHI Publishers.
4. Barua, Srinath: *Basic Mathematics and Its Applications in Economics*, Second Edition, Laxmi Publications 2013.

Semester III
B.A./ BSc (Major) Economics
ECOM302: PUBLIC ECONOMICS (4 Credits)
Full marks: 100 (Mid Term-30 + End Term-70)

Course Description

Public economics is the study of government policy from the points of view of economic efficiency and equity. The paper deals with the nature of government intervention and its implications for allocation, distribution and stabilization. Inherently, this study involves a formal analysis of government taxation and expenditures. The subject encompasses a host of topics including public goods, market failures and externalities. The paper is divided into two sections, one dealing with the theory of public economics and the other with the Indian public finances.

Units		No of Lecture Hours	No of Tutorial Hours	Marks
1	Fiscal functions: An overview Meaning and Scope of Public Economics, Need for Public Sector, Allocation, Distribution and Stabilization functions of government, Co-ordination and Conflict of functions.	10		12
2	Public Goods Meaning and characteristics, Pure and Impure Public Goods, The Free Rider Problem, Efficient allocation of Public Goods- The Lindahl Equilibrium and Samuelson's theory of Public Expenditure.	10		12
3	Externalities Meaning and type of externalities, Market failure and externalities, Internalization of Externalities- Corrective taxes and Subsidies, Assignment of Property Rights- The Coase Theorem	12		14
4	Public Revenue Tax and Non tax revenue, Economic effects of taxation, Dead weight loss and distortion, Principles of Taxation- The Ability to Pay Principle and the Benefit Principle, Incidence of taxation- Meaning and importance, The Demand and Supply theory of Incidence, Neutrality, Efficiency and Equity in taxation, Optimal taxation.	12		14
5	Indian Public Finance Tax system- Main features of India's Tax System, Changing Tax Structure of India, Major Tax Reform since 1991. Budget, deficits and public debt- Stages of Budget preparation, Revenue and Capital Budget, Concept of Deficits- Budgetary Deficit, Revenue Deficit, Fiscal Deficit, Primary Deficit, Budgetary trend in India, Study	16		18

	<p>of latest Union Budget.</p> <p>Public Debt- Necessity of Public Debt, Characteristics of India's Public Debt, India's internal and external debt liabilities, Problems of Public Debt policy.</p> <p>Fiscal Federalism in India: Meaning, Inter governmental Resource Transfer - trend and techniques, Role of Finance Commission Critical evaluation of Finance Commission's Awards, Recommendations of the latest Finance Commission.</p>			
Total		60		70

Reading List:

1. J. Hindriks, G. Myles: *Intermediate Public Economics*, MIT Press, 2006.
2. H. Rosen, T. Gayer: *Public Finance*, 9th ed., McGraw-Hill/Irwin, 2009.
3. Joseph E. Stiglitz, *Economics of the Public Sector*, W.W. Norton & Company, 3rd edition, 2000.
4. R.A. Musgrave and P.B. Musgrave, *Public Finance in Theory & Practice*, McGraw Hill Publications, 5th edition, 1989.
5. John Cullis and Philip Jones, *Public Finance and Public Choice*, Oxford University Press, 1st edition, 1998.
6. Harvey Rosen, *Public Finance*, McGraw Hill Publications, 7th edition, 2005.
7. Mahesh Purohit, *Value Added Tax: Experiences of India and Other Countries*, 2007.
8. Kaushik Basu and A. Maertens (ed.), *The New Oxford Companion to Economics in India*, Oxford University Press, 2013.
9. M.M. Sury, *Government Budgeting in India*, 1990.
10. M. Govinda Rao, *Changing Contours of Federal Fiscal Arrangements in India*, Amaresh Bagchi (ed.), *Readings in Public Finance*, Oxford University Press, 2005.
11. Paul Samuelson, 1955, —Diagrammatic Exposition of a theory of Public Expenditure, *Review of Economics and Statistics*, Volume 37.
12. Shankar Acharya, 2005, —Thirty Years of Tax Reform in India, *Economic and Political Weekly*, May 14-20.
13. Rangarajan and D.K. Srivastava, 2005, —Fiscal Deficit and Government Debt: Implications for Growth and Stabilization”, *Economic and Political Weekly*, July 2-8.
14. M. Govinda Rao, 2011, —Goods and Services Tax: A Gorilla, Chimpanzee or a Genius like Primates?, *Economic and Political Weekly*, February 12-18.
15. Report of the 13th Finance Commission, 2010-15.
16. *Economic Survey*, Government of India (Latest).
17. *State Finances: A Study of Budgets*, Reserve Bank of India (Latest).

Semester IV
B.A./ BSc (Major) Economics

ECOM401: STATISTICAL METHODS FOR ECONOMICS (4 Credits)

Full marks: 100 (Mid Term-30 + End Term-70)

Course Description

This is a course on statistical methods for economics. It begins with some basic concepts and terminology that are fundamental to statistical analysis and inference. It then develops the notion of probability, followed by probability distributions of discrete and continuous random variables and of joint distributions. This is followed by a discussion on sampling techniques used to collect survey data. The course introduces the notion of sampling distributions that act as a bridge between probability theory and statistical inference. The semester concludes with some topics in statistical inference that include point and interval estimation.

Units		No of Lecture Hours	No of Tutorial Hours	Marks
1.	Descriptive Statistics: Measures of Central Tendency :Arithmetic Mean, Median and Mode (for both Grouped and Ungrouped Data), Properties of Arithmetic Mean, Comparison of Mean Median and Mode; Geometric and Harmonic Mean Measures of Dispersion : Range, Quartile Deviation, Mean Deviation and Standard Deviation, Measures of Skewness and Kurtosis. The Concept of Moments.	12		14
2.	Elementary Probability Theory: Probability: Concepts of Sample Space and Events, Probability of an Event, Addition and Multiplication Theorems; Conditional Probability and Independence of Events; Inverse Probability; Bayes' Rule (concepts only);Mathematical Expectation	12		14
3.	Random Variables and Probability Distributions: Concept of a Random Variable, Discrete and Continuous Random Variable, Probability Mass Function, Probability Density Function, Mathematical Expectation and Its Properties. Theoretical Distributions: Binomial distribution- its properties, Poission distribution and its properties, Poission distribution as a limiting case of binomial distribution, normal distribution-its properties,.	12		14
4	Sampling: Distinction between sampling and census, Principal steps in a sample survey; Errors in statistics: sampling vs. non-sampling errors, Methods of sampling; Testing of hypothesis: chi square and t test	12		14

5	Correlation and Regression Analysis: Elementary Analysis of Linear Correlation: Covariance, Scatter Diagram, Karl Pearson's Coefficient of Correlation–Properties and the Method of Calculation, Concept of Spearman's Rank Correlation. The Concept of Regression, Regression Lines and their Estimation in a Bivariate series, Least Squares Method, The coefficient of determination (r^2) and Standard Error of Estimate.	12		14
Total		60		70

Reading List:

1. Jay L. Devore, *Probability and Statistics for Engineers*, Cengage Learning, 2010.
2. John E. Freund, *Mathematical Statistics*, Prentice Hall, 1992.
3. Richard J. Larsen and Morris L. Marx, *An Introduction to Mathematical Statistics and its Applications*, Prentice Hall, 2011.
4. William G. Cochran, *Sampling Techniques*, John Wiley, 2007.

ECOM402: INDIAN ECONOMY- I (4 Credits)**Full marks: 100 (Mid Term-30 + End Term-70)****Course Description**

Using appropriate analytical frameworks, this course reviews major trends in economic indicators and policy debates in India in the post-Independence period, with particular emphasis on paradigm shifts and turning points. Emphasis needs to be given in capturing the emerging issues.

Units		No of Lecture Hours	No of Tutorial Hours	Marks
1.	Economic Development since Independence Indian Economy on the eve of independence- An overview; Alternative development strategies since independence- goal of self-reliance based on import substitution and protection, the post-1991 globalization strategies based on stabilization and structural adjustment packages; An assessment of performance- sustainability and regional contrasts; structural transformation of savings and investment.	17		18
2.	Population and Human Development Demographic features and trends- Size and growth rates of population, trends in birth and death rates, Density of population, Age and Sex Composition, Population as a factor of economic development, Demographic Dividend; National Population Policy; Human Development in India- Human Development indicators, Human Development Index, India's human development record in global prospective.	14		16
3.	Growth and Distribution Poverty- Concept and Incidence of Poverty in India, Poverty estimates, Growth and Poverty, Strategy of Poverty Alleviation; Inequality- Income inequality in India: Magnitude and Nature, Growth and Inequality, Causes of income inequality, Government policies and measures. Unemployment- Nature and types of unemployment in India, Magnitude, Changing dimensions of unemployment and employment, Causes of unemployment, Government policies and measures.	16		18
4.	International Comparisons India's economic interaction with the world economy, A comparative assessment of India's development experience with high performing Asian economies - Singapore, South Korea and Taiwan	17		18
Total		60		70

Reading List:

1. Jean Dreze and Amartya Sen, 2013. *An Uncertain Glory: India and its Contradictions*, Princeton University Press.
2. Pulapre Balakrishnan, 2007, *The Recovery of India: Economic Growth in the Nehru Era*,

Economic and Political Weekly, November.

3. Rakesh Mohan, 2008, —Growth Record of Indian Economy: 1950-2008. A Story of Sustained Savings and Investment, *Economic and Political Weekly*, May.
4. S.L. Shetty, 2007, —India's Savings Performance since the Advent of Planning, in K.L. Krishna and A. Vaidyanathan, editors, *Institutions and Markets in India's Development*.
5. Himanshu, 2010, —Towards New Poverty Lines for India, *Economic and Political Weekly*, January.
6. Jean Dreze and Angus Deaton, 2009, —Food and Nutrition in India: Facts and Interpretations, *Economic and Political Weekly*, February.
7. Himanshu. 2011, —Employment Trends in India: A Re-examination, *Economic and Political Weekly*, September.
8. Rama Baru et al, 2010, —Inequities in Access to Health Services in India: Caste, Class and Region, *Economic and Political Weekly*, September.
9. Geeta G. Kingdon, 2007, —The Progress of School Education in India, *Oxford Review of Economic Policy*.
10. J.B.G. Tilak, 2007, —Post Elementary Education, Poverty and Development in India, *International Journal of Educational Development*.
11. T. Dyson, 2008, —India's Demographic Transition and its Consequences for Development in Uma Kapila, editor, *Indian Economy Since Independence*, 19th edition, Academic Foundation.
12. Kaushik Basu, 2009, —China and India: Idiosyncratic Paths to High Growth, *Economic and Political Weekly*, September.
13. K. James, 2008, —Glorifying Malthus: Current Debate on Demographic Dividend in India, *Economic and Political Weekly*, June.
14. Reetika Khera, 2011, —India's Public Distribution System: Utilisation and Impact *Journal of Development Studies*.
15. Aniruddha Krishna and Devendra Bajpai, 2011, —Lineal Spread and Radial Dissipation: Experiencing Growth in Rural India, 1992-2005, *Economic and Political Weekly*, September.
16. Kaushik Basu and A. Maertens, eds, 2013, *Oxford Companion to Economics*, Oxford University Press.
17. Bimal Jalan (ed), *The Indian Economy Problems and Prospects*, Penguin Books Ltd.
18. Arvind Subramanian, *India's Turn Understanding The Economic Transformation*, Oxford University Press.
19. Kaushik Basu, *India's Emerging Economy Performance and Prospects in the 1990's and Beyond*, Oxford University Press.

**Semester IV
B.A. (Major) Economics**

ECOM403: MONEY AND FINANCIAL MARKETS (4 Credits)

Full marks: 100 (Mid Term-30 + End Term-70)

Course Description

This course exposes students to the theory and functioning of the monetary and financial sectors of the economy. It highlights the organization, structure and role of financial markets and institutions. It also discusses interest rates, monetary management and instruments of monetary control. Financial and banking sector reforms and monetary policy with special reference to India are also covered.

Units		No of Lecture Hours	No of Tutorial Hours	Marks
1.	Money: Concept, functions, measurement; theories of money supply determination- RBI approach to money supply; High powered money and money multiplier.	12		14
2.	Financial Institutions, Markets, Instruments and Financial Innovations: Role of financial markets and institutions Structure of money market and capital market — Call money market. Treasury bill market, Commercial bill market including commercial paper and certificate of deposits, Government securities market, Primary and secondary market for securities. Financial sector Reforms in India, Role of Financial Derivatives Financial Institutions: Types; Banking and Non Banking Financial Institutions.	16		18
3.	Stock Market Stock Market and its Operations; Stock Market Index, Methodologies for Calculating Stock Market Index, Stock Market indices in India, BSE Sensex, NSE Nifty.	8		10
4.	Interest Rates Determination; sources of interest rate differentials ;theories of term structure of interest rates; interest rates in India.	12		14
5.	Banking System: Meaning and types; Functions of commercial banks; the process of credit creation and its limitations; Balance sheet and portfolio management, banking sector reforms Central Banking and Monetary Policy: Central Banking: Function of the Central Bank, Monetary policy: objectives, indicators and instruments of monetary control. Monetary management in an open economy, current monetary policy of India	12		14
Total		60		70

Reading Lists:

1. F. S. Mishkin and S. G. Eakins, *Financial Markets and Institutions*, Pearson Education, 6th edition, 2009.
2. F. J. Fabozzi, F. Modigliani, F. J. Jones, M. G. Ferri, *Foundations of Financial Markets and Institutions*, Pearson Education, 3rd edition, 2009.
3. M. R. Baye and D. W. Jansen, *Money, Banking and Financial Markets*, AITBS, 1996.
4. Rakesh Mohan, *Growth with Financial Stability- Central Banking in an Emerging Market*, Oxford University Press, 2011. 32
5. L. M. Bhole and J. Mahukud, *Financial Institutions and Markets*, Tata McGraw Hill, 5th edition, 2011.
6. M. Y. Khan, *Indian Financial System*, Tata McGraw Hill, 7th edition, 2011.
7. N. Jadhav, *Monetary Policy, Financial Stability and Central Banking in India*, Macmillan, 2006.
8. R.B.I. – *Report of the Working Group: Money Supply Analytics and Methodology of Compilation*, 1998.
9. R.B.I. Bulletin, Annual Report and Report on Currency and Finance (latest).
10. Suraj B. Gupta : *Monetary Economics*, S. Chand and Company Ltd.
11. Bharati V. Pathak, *The Indian Financial System : Markets, Institutions and Services*, Pearson Education India

Semester IV
B.A./ BSc (Major) Economics

ECOM404: DEVELOPMENT ECONOMICS I (4 Credits)

Full marks: 100 (Mid Term-30 + End Term-70)

Course Description

This is the first part of a two-part course on economic development. The course begins with a discussion of alternative conceptions of development and their justification. It then proceeds to aggregate models of growth and cross-national comparisons of the growth experience that can help evaluate these models. The axiomatic basis for inequality measurement is used to develop measures of inequality and connections between growth and inequality are explored. The course ends by linking political institutions to growth and inequality by discussing the role of the state in economic development and the informational and incentive problems that affect state governance.

Units		No of Lecture Hours	No of Tutorial Hours	Marks
1	Concepts of Development: Evolution of Development Economics; Economic growth and development, Characteristics of underdeveloped economies, Measures of development- GNP, PQLI, HDI, GDI, GEM ;	12		14
2	Strategies of Development: Stages of Economic growth- Rostow ; low level equilibrium trap , the critical minimum effort hypothesis; big push theory, balanced vs. unbalanced growth; Choice of Technique	12		14
3	Growth Models : Classical growth model; Harrod-Domar model ; Kaldor's Model, Solow model and its variants, Meade Model, Endogenous growth model- Romer.	12		14
4	Poverty and Inequality: Definitions, Measures of poverty- Head count ratio, Sen's Index, HPI, MPI. inequality measures- Gini Coefficient and Lorenz Curve; connections between inequality and development; Mechanisms that generate poverty traps and path dependence of growth processes	12		14
5	Political Institutions and the Functioning of the State Alternative institutional trajectories and their relationship with economic performance, Relationship between democracy and	12		14

	economic development, within-country differences in the functioning of state institutions; state ownership and regulation; government failures and corruption.			
Total		60		70

Reading List:

1. Debraj Ray, Development Economics, Oxford University Press, 2009.
2. Partha Dasgupta, Economics, A VeryShort Introduction, Oxford University Press, 2007.
3. Abhijit Banerjee, Roland Benabou and Dilip Mookerjee, Understanding Poverty, Oxford University Press, 2006.
4. Kaushik Basu, The Oxford Companion to Economics in India, OUP, 2007.
5. Amartya Sen, Development as Freedom, OUP, 2000.
6. Daron Acemoglu and James Robinson, Economic Origins of Dictatorship and Democracy, Cambridge University Press, 2006.
7. Robert Putnam, Making Democracy Work: Civic Traditions in Modern Italy, Princeton University Press, 1994
8. A. P. Thirlwall : Economics of Development, Palgrave Macmillan, 2011
9. Yujiro Hayami and Yoshihisa Godo : Development Economics, Oxford Publication,2009
10. Gerald M. Meier and James E. Rauch : Leading Issues in Economic Development, Oxford Publication, 2006
11. Hall and Papell : Macro Economics: Economic growth ,Fluctuations and Policy, 6th edition, Norton Books

B.A. (Honours) Economics

ECOM501: INTERMEDIATE MICROECONOMICS (4 Credits)

Full marks: 100 (Mid Term-30 + End Term-70)

Course Description

The course is designed to provide a sound training in microeconomic theory to formally analyze the behaviour of individual agents. Since students are already familiar with the quantitative techniques in the previous semesters, mathematical tools are used to facilitate understanding of the basic concepts. This course looks at the behaviour of the consumer and the producer and also covers the behaviour of a competitive firm.

	Units	No of Lecture hours		Marks
1	<p>Consumer Theory I: Preferences and Utility: Axioms of Rational Choice, Utility, Trades and Substitutions, Indifference Curves, Utility Functions for Specific Preferences, The Many-Good case; Utility Maximization and Choice: The Two-Good Case (Graphical Analysis), The n-Good Case, Indirect Utility Function, The Lump Sum Principle, Expenditure Minimization, Properties of Expenditure Function.</p> <p>Consumer Theory II: Income and Substitution Effects of Price Change under Normal, Inferior and Giffen goods under Hicksian and Slutsky's method; Slutsky's equation, Compensated and ordinary demand curves; buying and selling; choice under risk and inter-temporal choice; revealed preference theory.</p>	14		16
2	<p>Theory of Production and Cost</p> <p>Technological relationship between outputs and inputs, Basic Concepts: TP, AP, MP, Isoquants, properties of isoquants, Isoquant map, Marginal Rate of Technical Substitution, Elasticity of Substitution, Expansion path, returns to scale; Production with One Variable Input (labour) and with Two-Variable Inputs; Special cases of Production Functions -Linear, Fixed Proportions, Cobb- Douglas, CES; Production function and technical Progress; Multiple products: the production transformation curve.</p> <p>Cost Functions Definition and types of Costs, Cost Functions and its Properties, Shift in Cost Curves; Cost in the Short-Run and Long-Run; Long-Run versus Short-Run Cost Curves; the relationship between short run and long run cost curves; Impact of Economies and diseconomies of scale; Production with Two Outputs – Economies of Scope.</p>	14		16
3	<p>Perfect Competition</p> <p>The Nature and Behaviour of Firms, Profit Maximization rule; Perfect competition: meaning and characteristics; perfect vs pure competition; Short run and long run equilibrium in a competitive firm and industry; Zero profit in long run competitive equilibrium; Short-Run Supply by Price-Taking Firm, Profit Functions and its Properties, Profit Maximization and Input Demand – Single-Input Case and Two-Input Case.</p>	10		12
4	<p>Monopoly and Monopolistic</p> <p>Monopoly- definition, output decision of the monopolists; monopoly power, sources of monopoly, Barriers to entry, mark up pricing, Social cost of monopoly power; Pricing with market power- price discrimination: first degree, second degree and third degree with examples; peak-load pricing; two-part tariff; Monopolistic competition: definitions, characteristics, output</p>	12		14

	decisions, excess capacity and advertising.			
5	Oligopoly Short-run pricing and output decisions: Cournot model, Bertrand model, Kinked Demand Model, Collusive Oligopoly Model: Cartels, price leadership model	10		12
Total		60		70

Reading List

1. H. R. Varian (2010): Intermediate Microeconomics: A Modern Approach, 8th Edition, W.W. Norton and Company/Affiliated East-West Press (India). The
2. C. Snyder and W. Nicholson (2012): Microeconomic Theory: Basic Principles and Extensions, 11th Edition, Cengage Learning, Delhi, India.
3. R. S. Pindyck, D. N. Rubinfeld and P. L. Meheta (2009): Microeconomics, 7th Edition, Pearson, New Delhi.
4. G.S. Maddala and Ellen Miller, Microeconomics: Theory and Applications, Mc Graw Hill Education, Tenth Reprint, 2013, New Delhi Edition.

Semester v
B.A. (Honours) Economics

ECOM502: Intermediate Macroeconomics

(4 Credits)

Full marks: 100 (Mid Term-30 + End Term-70)

Course Description

This course introduces the students to formal modeling of a macro-economy in terms of analytical tools. It discusses various alternative theories of output and employment determination in a closed economy in the short run as well as medium run, and the role of policy in this context. It also introduces the students to various theoretical issues related to an open economy.

Units	No. of Lecture hours	Marks
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1	Consumption Function: Short run and long run consumption functions; APC, MPC, APS, MPS; Fundamental Psychological Law of Consumption and its Implications; Determinants of consumption, Theories of Consumption - Absolute, Relative	12	14
2	Investment function: Gross and Net, Induced and Autonomous; Marginal efficiency of capital; Marginal efficiency of capital and rate of investment; Marginal efficiency of investment; Investment multiplier; Profit and accelerator theories of investment.	12	14
3	Inflation and Unemployment: Stagflation; Causes and Policies to cure Stagflation; Phillips curve; Inflation and expectations – adaptive and rational expectations; Adaptive expectations, Rational expectations and policy ineffectiveness debate.	12	14
4	Macroeconomics of an Open Economy -I: Open and closed economy; Mundell-Fleming model, Exchange rate determination; Mint Parity; Purchasing power parity – absolute and relative versions of the purchasing power parity; Asset market approach; Dornbusch's overshooting model.	12	14
5	Macroeconomics of an Open Economy -II: Concepts and components of balance of trade and balance of payments; Balance of payments– the current and capital account; Basic accounting rule, Equilibrium or disequilibrium of balance of payments, Factors causing balance of payments disequilibrium Adjustment of balance of payments – the monetary approach to balance of payments; International financial markets.	12	14
Total		60	70

Reading List:

1. Dornbusch, Fischer and Startz, *Macroeconomics*, McGraw Hill, 11th edition, 2010.
2. N. Gregory Mankiw. *Macroeconomics*, Worth Publishers, 7th edition, 2010.
3. Olivier Blanchard, *Macroeconomics*, Pearson Education, Inc., 5th edition, 2009.
4. Steven M. Sheffrin, *Rational Expectations*, Cambridge University Press, 2nd edition, 1996.
5. Andrew B. Abel and Ben S. Bernanke, *Macroeconomics*, Pearson Education, Inc., 7th edition, 2011.
6. Errol D'Souza, *Macroeconomics*, Pearson Education, 2009
7. Paul R. Krugman, Maurice Obstfeld and Marc Melitz, *International Economics*, Pearson Education Asia, 9th edition, 2012.

Semester v
B.A. (Honours) Economics
ECOM 503: MATHEMATICAL METHODS FOR ECONOMICS - II (4 Credits)
Full marks: 100 (Mid Term-30 + End Term-70)
Course Description

This course is the second part of a compulsory two-course sequence. This part is to be taught in Semester v following the first part in Semester III. The objective of this sequence is to transmit the body of basic mathematics that enables the study of economic theory at the undergraduate level, specifically the courses on microeconomic theory, macroeconomic theory, statistics and econometrics set out in this Syllabus. In this course, particular economic models are not the ends, but the means for illustrating the method of applying mathematical techniques to economic theory in general.

Units		No of Lecture Hours	Marks
1.	Difference equation: First order Difference equation and its Economic Applications.	10	10
2.	Linear Algebra (Matrices and Determinants): Systems of linear equations: properties of their solution sets; matrices-elementary operations matrix addition, product, rank of a matrix, determinants and their properties, inverse of a matrix, application of Cramer's rule for solution of a system of linear equations.	15	15

3.	Derivatives of Functions of several variables: Differential Calculus and its Economic Applications: Concept of Differentiation, Geometric interpretation of derivative; Partial and Total differentiation; Applications of differentiation – Elasticity of demand, Cost and Revenue functions; Relation between Average and Marginal Costs, Application to comparative static analysis of market model and national income model; Indifference curve analysis; Application to Consumer's and Producer's equilibrium; Expansion Path. Production Function Analysis- Homogeneous Functions and Euler's Theorem; Cobb-Douglas Production Function and its Properties; CES Production Function and its properties.	15		15
4.	Unconstrained optimization : Unconstrained optimization with one variable and Economic Applications; Unconstrained optimization with more than one variable and Economic Applications- Discriminating Monopoly, multiproduct monopoly.	10		15
5	Constrained optimization with equality constraints: Lagrange characterization using calculus; applications- consumer's equilibrium and producer's equilibrium.	10		15
Total		60		70

Reading list:

1. K. Sydsaeter and P. Hammond, *Mathematics for Economic Analysis*, Pearson Educational Asia: Delhi, 2002.
2. Chiang, A.C.: *Fundamental Methods of Mathematical Economics*, Fourth edition, McGraw Hill 2005.
3. Hoy, M., J. Livernois, C. McKena, R. Rees, and T. Stengos: *Mathematics for Economics*, PHI Publishers.
4. Barua, Srinath: *Basic Mathematics and Its Applications in Economics*, Second Edition, Laxmi Publications 2013.

Semester v
B.A. (Honours) Economics
ECOM 504: The Economy of North- East India (4 Credits)
Full marks: 100 (Mid Term-30 + End Term-70)

Course Description

The objective of this course is to acquaint the learners with the characteristics as well as with the current issues of the economy of North-East India. The learners will also be able to know the performance and problems of the primary, secondary and tertiary sectors of North-East India.

Units		No. of Lecture	Marks
1	Economic Characteristics of North East India: Resources of the Region– Mineral, Forest and Water resources, Human resources – Trends in population growth, Composition of population, Distribution of the population, Population density, Migration of population, Urbanization, Occupational distribution	12	14
2	Agriculture: Trends and Pattern of Production – Land use, Agricultural holdings and Cropping pattern, Food production and Food security, Horticulture, Sericulture, Jhum Cultivation, Modernisation of agriculture, Sustainable agriculture. .	12	14
3	Industry: Problems and prospects of Industrial development of NE region, Organised Industries - Role of Tea, Oil and Coal industries; Micro, small and medium industries, Food Processing, Handloom and handicrafts; Tourism.	12	14
4	Infrastructure: Economic Infrastructure of the region – Roadways, Railways, Waterways, Airways; Communication; Energy Sector; Financial Institutions; The Role of North Eastern Council; Social Infrastructures- Education and Health.	12	14
5	Developmental issues of the Region: Human Resource Development – Poverty and Unemployment; Flood and erosion problem, Problems of Agricultural labourers – disguised unemployment; Border Area Development. Act East policy	12	14
Total		60	70

Reading List:

1. B. Dutta Roy; *Social and Economic Profile of N.E. India*, Omsons, New Delhi
2. NEC: (a) Basic Statistics of N.E. Region, 1980-85
(b) Towards Regional Development: Plans and Perspective
3. NCEAR: Techno Economic Surveys of Assam, Arunachal Pradesh, Manipur and Nagaland
4. P. Nayak, *Growth and Human Development in Northeast India*, OUP
5. North Eastern Region Vision 2020, NEC, Ministry of Development of North Eastern Region
6. NEDFi, Databank
7. Bordoloi and Neog, *Economy of the North-East*, LBS Publication
8. P.K. Dhar, *The Economy of Assam Including Economy of North-East India*, Kalyani Publisher.
- 9. NEC data bank**

Semester VI
B.A. (Honours) Economics

ECOM 601: INDIAN ECONOMY- II (4 Credits)

Full marks: 100 (Mid Term-30 + End Term-70)

Course Description

This course examines sector-specific policies and their impact in shaping trends in key economic indicators in India. It highlights major policy debates and evaluates the Indian empirical evidence. Emphasis needs to be given in capturing the emerging issues.

Units		No of Lecture Hours	No of Tutorial Hours	Marks
1	Macroeconomic Policies and Their Impact Fiscal reform measures in the context of India's New Economic Policy, Fiscal Responsibility and Budget Management (FRBM) Act. Monetary Reforms and its impact. Black money and Parallel economy in India- consequences and corrective government intervention. Trade Policy- Export Import Policy, Foreign Trade Policy; Current and Capital Account Convertibility	15		18
2	Policies and Performance in Agriculture Changing structure of Indian Agriculture, Growth and productivity of Agriculture, Sustainable agriculture-concept and constraints, Diversification of Agriculture, Capital formation, Role of technology; Green revolution; Institutions- land reforms, rural credit, agricultural marketing, price policy; WTO and Agriculture.	15		18
3	Policies and Performance in Industry Pattern of Industrialization, Industrial growth and productivity in the post reform period, Diversification of industries, Public Sector reforms, Disinvestment and Privatization, MSME Sector, Industrial Policy reforms, Foreign Investment in the Industrial sector.	15		18
4	Trends and Performance in Services Role of the service sector in the Indian Economy, Growth in and composition of the service sector; Composition and direction of foreign trade, Trend in merchandise trade and invisibles, Balance of payments position- Pre and Post Reform period, Trade in services and WTO.	15		16
Total		60		70

Reading List:

- Shankar Acharya, 2010, —Macroeconomic Performance and Policies 2000-8,| in Shankar Acharya and Rakesh Mohan, editors, *India's Economy: Performances and Challenges: Development and Participation*, Oxford University Press.
- Rakesh Mohan, 2010, —India's Financial Sector and Monetary Policy Reforms, in Shankar Acharya and Rakesh Mohan, editors, *India's Economy: Performances and Challenges: Development and Participation*, Oxford University Press.

3. Pulapre Balakrishnan, Ramesh Golait and Pankaj Kumar, 2008, —Agricultural Growth in India Since 1991, *RBI DEAP Study no. 27*.
4. Kunal Sen, 2010, —Trade, Foreign Direct Investment and Industrial Transformation in India, in Premachandra Athukorala, editor, *The Rise of Asia*, Routledge.
5. J. Dennis Rajakumar, 2011, —Size and Growth of Private Corporate Sector in Indian Manufacturing, *Economic and Political Weekly*, April.
6. Ramesh Chand, 2010, Understanding the Nature and Causes of Food Inflation, *Economic and Political Weekly*, February.
7. Bishwanath Goldar, 2011, Organised Manufacturing Employment: Continuing the Debate, *Economic and Political Weekly*, April.
8. Kaushik Basu and A. Maertens, eds, 2013. *The New Oxford Companion to Economics in India*, Oxford University Press.
9. Bimal Jalan (ed), *The Indian Economy Problems and Prospects*, Penguin Books Ltd.
10. Arvind Subramanian, *India's Turn Understanding The Economic Transformation*, Oxford University Press.
11. Kaushik Basu, *India's Emerging Economy Performance and Prospects in the 1990's and Beyond*, Oxford University Press.

Semester VI
B.A. (Honours) Economics

ECOM 601: DEVELOPMENT ECONOMICS-II (4 Credits)

Full marks: 100 (Mid Term-30 + End Term-70)

Course Description

This is the second module of the economic development sequence. It begins with basic demographic concepts and their evolution during the process of development. The structure of markets and contracts is linked to the particular problems of enforcement experienced in poor countries. The governance of communities and organizations is studied and this is then linked to questions of sustainable growth. The course ends with reflections on the role of globalization and increased international dependence on the process of development.

Units		No of Lecture Hours	No of Tutorial Hours	Marks
1.	Demography and Development: Demographic concepts; birth and death rates, age structure, fertility and mortality; demographic transitions during the process of development; Population and economic development, connections between income, mortality, fertility choices and human capital accumulation; migration.	10	3	14
2.	Land, Labor and Credit Markets: The distribution of land ownership; land reform and its effects on productivity; contractual relationships between tenants and landlords; land acquisition; nutrition and labor productivity; informational problems and credit contracts; microfinance; inter- linkages between rural factor markets.	10	3	14
3.	Communities and Economic Development: The economic functions of Community; Collective intervention in Rural economies: Management of Common Property Resources; Overcoming the community failure.	10	2	12
4.	Environment and Sustainable Development: Environment- Economy linkage; Concept and indicators of sustainable development; common-pool resources; environmental externalities and state regulation of the environment; economic activity and climate change.	15	3	14
5.	Trade, Globalization and Development:	15	4	16

	International Trade: A Stimulus or a Hindrance To Growth; The Prebisch-Singer Thesis; trade, production patterns and world inequality; Economic arguments for multilateral agreements; Role of Foreign Capital and Foreign Aid in Economic Development; financial instability in a globalized world			
Total		60		70

Readings:

1. Debraj Ray, Development Economics, Oxford University Press, 2009.
2. Partha Dasgupta, Economics, A Very Short Introduction, Oxford University Press, 2007.
3. Abhijit Banerjee, Roland Benabou and Dilip Mookerjee, Understanding Poverty, Oxford University Press, 2006.
4. Thomas Schelling, Micro motives and Macro behavior, W. W. Norton, 1978.
5. Albert O. Hirschman, Exit, Voice and Loyalty: Responses to Decline in Firms, Organizations and States, Harvard University Press, 1970.
6. Raghuram Rajan, Fault Lines: How Hidden Fractures Still Threaten the World Economy, 2010.
7. Elinor Ostrom, Governing the Commons: The Evolution of Institutions for Collective Action, Cambridge University Press, 1990.
8. Dani Rodrik, The Globalization Paradox: Why Global Markets, States and Democracy Can't Coexist, Oxford University Press, 2011.
9. Michael D. Bordo, Alan M. Taylor and Jeffrey G. Williamson (ed.), Globalization in Historical Perspective, University of Chicago Press, 2003.
10. Yujiro Hayami and Yoshihisa Godo : Development Economics, Oxford Publication, 2009
11. A. P. Thirlwall : Economics of Development, Palgrave Macmillan, 2011

Semester VI
B.A. (Honours) Economics

ECOM 604: BASICS OF ECONOMETRICS (4 Credits)

Full marks: 100 (Mid Term-30 + End Term-70)

Course Description

This course provides a comprehensive introduction to basic econometric concepts and techniques. It covers statistical concepts of hypothesis testing, estimation and diagnostic testing of simple and multiple regression models. The course also covers the consequences of and tests for misspecification of regression models.

Units		No of Lecture Hours	No of Tutorial Hours	Marks
1.	<p>Nature and Scope of Econometrics and Basic Statistical Prerequisites Nature and Scope of Econometrics: What is Econometrics?; Economic and Econometric Models; The Aims and Methodology of Econometrics. Statistical Concepts: Population vs Sample; Statistic and parameters; Estimate and estimators; estimation of parameters – point estimation vs interval estimation; properties of estimators. Probability Distributions: The Normal distribution; Chi-squared, t- and F- distributions. Testing of hypotheses: defining statistical hypotheses; distributions of test statistics; testing hypotheses related to population parameters; Type I and Type II errors; power of a test; tests for comparing parameters from two samples.</p>	10		10
2	<p>Simple Linear Regression Model: Two variable case ;Regression vs Correlation; Linearity vs Non-linearity; Stochastic specification: The significance of the error term; Estimation: The Principle of ordinary least squares; Assumptions under CLRM; BLUE Properties of estimators: The Gauss Markov theorem; goodness of fit – R-squared; tests of hypotheses; scaling and units of measurement; confidence intervals; forecasting. k variable linear regression model: Estimation of parameters; Qualitative (dummy) independent variables – Dummy variable trap.</p>	20		20
3	<p>Violations of Classical Assumptions: Consequences, Detection and Remedies Heteroscedasticity: Problem and consequences; tests, detection and alternative methods of estimation. Autocorrelation: Sources, consequences, tests of autocorrelation, remedial measures.</p>	10		15
4	<p>Multicollinearity: Nature of the problem; Sources, Perfect multicollinearity vs Imperfect multicollinearity, its consequences; Detection and remedies of multicollinearity;</p>	10		15
5	<p>Specification Analysis Omission of relevant variables; inclusion of irrelevant variables; tests of specification errors; Errors in variables.</p>	10		10

Total		60	70

Reading List:

1. Jay L. Devore, *Probability and Statistics for Engineers*, Cengage Learning, 2010.
2. John E. Freund, *Mathematical Statistics*, Prentice Hall, 1992.
3. Richard J. Larsen and Morris L. Marx, *An Introduction to Mathematical Statistics and its Applications*, Prentice Hall, 2011.
4. D. N. Gujarati and D.C. Porter, *Essentials of Econometrics*, McGraw Hill, 4th edition, International Edition, 2009.
5. Christopher Dougherty, *Introduction to Econometrics*, Oxford University Press, 3rd edition, Indian edition, 2007.
6. Jan Kmenta, *Elements of Econometrics*, Indian Reprint, Khosla Publishing House, 2nd edition, 2008.
7. Maddala, G.S.: *Introduction to Econometrics*, Wiley India, 3rd Edition 2010.

ECON301: DEVELOPMENT ECONOMICS (4 Credits)**Full marks: 100 (Mid Term-30 + End Term-70)****(Honours programme: 3rd semester)****Course Description**

This is the first part of a two-part course on economic development. The course begins with a discussion of alternative conceptions of development and their justification. It then proceeds to aggregate models of growth and cross-national comparisons of the growth experience that can help evaluate these models. The axiomatic basis for inequality measurement is used to develop measures of inequality and connections between growth and inequality are explored. The course ends by linking political institutions to growth and inequality by discussing the role of the state in economic development and the informational and incentive problems that affect state governance.

Units		No of Lecture Hours	No of Tutorial Hours	Marks
1	Concepts of Development: Evolution of Development Economics; Economic growth and development, Characteristics of underdeveloped economies, Measures of development- GNP, PQLI, HDI, GDI, GEM ;	12		14
2	Strategies of Development: Stages of Economic growth- Rostow ; low level equilibrium trap , the critical minimum effort hypothesis; big push theory, balanced vs. unbalanced growth; Choice of Technique	12		14
3	Growth Models : Classical growth model; Harrod-Domar model ; Kaldor's Model, Solow model and its variants, Meade Model, Endogenous growth model- Romer.	12		14
4	Poverty and Inequality: Definitions, Measures of poverty- Head count ratio, Sen's Index, HPI, MPI. inequality measures- Gini Coefficient and Lorenz Curve; connections between inequality and development; Mechanisms that generate poverty traps and path dependence of growth processes	12		14
5	Political Institutions and the Functioning of the State Alternative institutional trajectories and their relationship with economic performance, Relationship between democracy and	12		14

	economic development, within-country differences in the functioning of state institutions; state ownership and regulation; government failures and corruption.			
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Total	60		70
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Reading List:

1. Debraj Ray, Development Economics, Oxford University Press, 2009.
2. Partha Dasgupta, Economics, A VeryShort Introduction, Oxford University Press, 2007.
3. Abhijit Banerjee, Roland Benabou and Dilip Mookerjee, Understanding Poverty, Oxford University Press, 2006.
4. Kaushik Basu, The Oxford Companion to Economics in India, OUP, 2007.
5. Amartya Sen, Development as Freedom, OUP, 2000.
6. Daron Acemoglu and James Robinson, Economic Origins of Dictatorship and Democracy, Cambridge University Press, 2006.
7. Robert Putnam, Making Democracy Work: Civic Traditions in Modern Italy, Princeton University Press, 1994
8. A. P. Thirlwall : Economics of Development, Palgrave Macmillan, 2011
9. Yujiro Hayami and Yoshihisa Godo : Development Economics, Oxford Publication, 2009
10. Gerald M. Meier and James E. Rauch : Leading Issues in Economic Development, Oxford Publication, 2006
11. Hall and Papell : Macro Economics: Economic growth ,Fluctuations and Policy, 6th edition, Norton Books

Semester IV
B.A./ BSc Economics (Minor)

ECON401: MONEY AND FINANCIAL MARKETS (4 Credits)

Full marks: 100 (Mid Term-30 + End Term-70)

(Honours programme: 4th semester)

Course Description

This course exposes students to the theory and functioning of the monetary and financial sectors of the economy. It highlights the organization, structure and role of financial markets and institutions. It also discusses interest rates, monetary management and instruments of monetary control. Financial and banking sector reforms and monetary policy with special reference to India are also covered.

Units		No of Lecture Hours	No of Tutorial Hours	Marks
1.	Money: Concept, functions, measurement; theories of money supply determination- RBI approach to money supply; High powered money and money multiplier.	12		14
2.	Financial Institutions, Markets, Instruments and Financial Innovations: Role of financial markets and institutions Structure of money market and capital market — Call money market. Treasury bill market, Commercial bill market including commercial paper and certificate of deposits, Government securities market, Primary and secondary market for securities. Financial sector Reforms in India, Role of Financial Derivatives Financial Institutions: Types; Banking and Non Banking Financial Institutions.	16		18
3.	Stock Market Stock Market and its Operations; Stock Market Index, Methodologies for Calculating Stock Market Index, Stock Market indices in India, BSE Sensex, NSE Nifty.	8		10
4.	Interest Rates Determination; sources of interest rate differentials ;theories of term structure of interest rates; interest rates in India.	12		14
5.	Banking System: Meaning and types; Functions of commercial banks; the process of credit creation and its limitations; Balance sheet and portfolio management, banking sector reforms Central Banking and Monetary Policy: Central Banking: Function of the Central Bank, Monetary policy: objectives, indicators and instruments of monetary control. Monetary management in an open economy, current monetary policy of India	12		14
Total		60		70

Reading Lists:

12. F. S. Mishkin and S. G. Eakins, *Financial Markets and Institutions*, Pearson Education, 6th edition, 2009.
13. F. J. Fabozzi, F. Modigliani, F. J. Jones, M. G. Ferri, *Foundations of Financial Markets and Institutions*, Pearson Education, 3rd edition, 2009.
14. M. R. Baye and D. W. Jansen, *Money, Banking and Financial Markets*, AITBS, 1996.
15. Rakesh Mohan, *Growth with Financial Stability- Central Banking in an Emerging Market*, Oxford University Press, 2011. 32
16. L. M. Bhole and J. Mahukud, *Financial Institutions and Markets*, Tata McGraw Hill, 5th edition, 2011.
17. M. Y. Khan, *Indian Financial System*, Tata McGraw Hill, 7th edition, 2011.
18. N. Jadhav, *Monetary Policy, Financial Stability and Central Banking in India*, Macmillan, 2006.
19. R.B.I. – *Report of the Working Group: Money Supply Analytics and Methodology of Compilation*, 1998.
20. R.B.I. Bulletin, Annual Report and Report on Currency and Finance (latest).
21. Suraj B. Gupta : *Monetary Economics*, S. Chand and Company Ltd.
22. Bharati V. Pathak, *The Indian Financial System : Markets, Institutions and Services*, Pearson Education India

Semester V

B.A. (Minor) Economics

ECON 501: INDIAN ECONOMY- I (4 edits)

Full marks: 100 (Mid Term-30 + End Term-70)

Course Description

Using appropriate analytical frameworks, this course reviews major trends in economic indicators and policy debates in India in the post-Independence period, with particular emphasis on paradigm shifts and turning points. Emphasis needs to be given in capturing the emerging issues.

	Units	No of Lecture	Marks
1.	Economic Development since Independence Indian Economy on the eve of independence- An overview; Alternative development strategies since independence- goal of self-reliance based on import substitution and protection, the post-1991 globalization strategies based on stabilization and structural adjustment packages; An assessment of performance-sustainability and regional contrasts; structural transformation of savings and investment.	15	18
2.	Population and Human Development Demographic features and trends- Size and growth rates of population, trends in birth and death rates, Density of population, Age and Sex Composition, Population as a factor of economic development, Demographic Dividend; National Population Policy; Human Development in India- Human Development indicators, Human Development Index, India's human development record in global prospective.	15	16
3.	Growth and Distribution Poverty- Concept and Incidence of Poverty in India, Poverty estimates, Growth and Poverty, Strategy of Poverty Alleviation; Inequality- Income inequality in India: Magnitude and Nature, Growth and Inequality, Causes of income inequality, Government policies and measures. Unemployment- Nature and types of unemployment in India, Magnitude, Changing dimensions of unemployment and employment, Causes of unemployment, Government policies and measures.	15	18
4.	International Comparisons India's economic interaction with the world economy, A comparative assessment of India's development experience with high performing Asian economies- Singapore, South Korea and Taiwan	15	18
	Total	60	70

Reading List:

1. Jean Dreze and Amartya Sen, 2013. *An Uncertain Glory: India and its Contradictions*, Princeton University Press.
2. Pulapre Balakrishnan, 2007, The Recovery of India: Economic Growth in the Nehru Era, *Economic and Political Weekly*, November.
3. Rakesh Mohan, 2008, —Growth Record of Indian Economy: 1950-2008. A Story of Sustained Savings and Investment, *Economic and Political Weekly*, May.
4. S.L. Shetty, 2007, —India's Savings Performance since the Advent of Planning, in K.L. Krishna and A. Vaidyanathan, editors, *Institutions and Markets in India's Development*.
5. Himanshu, 2010, —Towards New Poverty Lines for India, *Economic and Political Weekly*, January.
6. Jean Dreze and Angus Deaton, 2009, —Food and Nutrition in India: Facts and Interpretations, *Economic and Political Weekly*, February.

7. Himanshu. 2011, —Employment Trends in India: A Re-examination, *Economic and Political Weekly*, September.
8. Rama Baru et al, 2010, —Inequities in Access to Health Services in India: Caste, Class and Region, *Economic and Political Weekly*, September.
9. Geeta G. Kingdon, 2007, —The Progress of School Education in India, *Oxford Review of Economic Policy*.
10. J.B.G. Tilak, 2007, —Post Elementary Education, Poverty and Development in India, *International Journal of Educational Development*.

11. T. Dyson, 2008, —India's Demographic Transition and its Consequences for Development in Uma Kapila, editor, *Indian Economy Since Independence*, 19th edition, Academic Foundation.
12. Kaushik Basu, 2009, —China and India: Idiosyncratic Paths to High Growth, *Economic and Political Weekly*, September.
13. K. James, 2008, —Glorifying Malthus: Current Debate on Demographic Dividend in India, *Economic and Political Weekly*, June.
14. Reetika Khera, 2011, —India's Public Distribution System: Utilisation and Impact *Journal of Development Studies*.
15. Aniruddha Krishna and Devendra Bajpai, 2011, —Lineal Spread and Radial Dissipation: Experiencing Growth in Rural India, 1992-2005, *Economic and Political Weekly*, September.
16. Kaushik Basu and A. Maertens, eds, 2013, *Oxford Companion to Economics*, Oxford University Press.
17. Bimal Jalan (ed), *The Indian Economy Problems and Prospects*, Penguin Books Ltd.
Arvind Subramanian, *India's Turn Understanding The Economic Transformation*, Oxford University Press.

18. Kaushik Basu, *India's Emerging Economy Performance and Prospects in the 1990's and Beyond*, Oxford University Press.

Semester VI
B.A. (Minor) Economics

ECON 601: ENTREPRENURESHIP DEVELOPMENT (4 Credits)

Full marks: 100 (Mid Term-30 + End Term-70)

Units		No of Lecture hours	Marks
1	a) Concept of Entrepreneurship, Types of Entrepreneurship, Characteristics of an Entrepreneur, Functions of Entrepreneurship, Rural Entrepreneurship, Problems of rural Entrepreneurship, How to Develop rural entrepreneurship?, Role of Entrepreneurship in Economic Development	10	20
	b) Ownership Structure, Proprietorship, Partnership, company, Co-operative, Ownership pattern in Small Scale Enterprises in India.	5	
2	Factors affecting Entrepreneurial Growth: Economic Factors and Non-Economic Factors, Need of EDPs, Objectives of EDPs Entrepreneurship Development Programmes (EDPs),	20	10
3	Financing of Enterprise: Need for financial Planning, Sources of finance, Capital structure, Term loans, Sources of short term finance, capitalization, venture capital, export finance	15	10
4	Project identification and project selection, Concept of the project report and formulation of project report	10	10
5	project		20
Total		60	70

Reading List:

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| 1. Khanka S.S. (2009) | :Entrepreneurial Development |
| 2. G P Prasain (2006) | :Entrepreneurship and Small Scale Industries |
| 3. B.D. Nayak (2013) | : <i>Entrepreneurship development</i> and Project Management |

Semester II

B.A./ BSc Economics (Minor)

ECON201: ELEMENTORY MACROECONOMICS (4 Credits)

Full marks: 100 (Mid Term-30 + End Term-70)

(Honours programme: 2nd semester)

Course Description

This course aims to introduce the students to the basic concepts of Macroeconomics. Macroeconomics deals with the aggregate economy. This course discusses the preliminary concepts associated with the determination and measurement of aggregate macroeconomic variable like savings, investment, GDP, money, inflation, and the balance of payments.

Units		No. of Lecture hours	No. of Tutorial hours	Marks
1	Introduction to Macroeconomics Macro vs. Micro Economics; Scope and limitations of Macroeconomics; Introduction to National Income - Concepts of GDP, GNP, NDP and NNP at market price and factor cost; Personal Income and Disposable personal Income; Real versus Nominal GDP, GDP Deflator. GDP and Welfare;	12		14
2	Limitation of the GDP concept. Rules and approaches of Measurement of GDP - Income, expenditure, product and Value added approaches, Difficulties of Estimating National Income, Circular Flow of Income and expenditure in two and four-sector economy; national income accounting for an open economy.	12		14
3	Definition and Functions of money; quantity theory of money - cash transactions and cash balance approaches, Friedman's restatement of the quantity theory; Demand for Money - Classical, Neoclassical and Keynesian Approaches, The Keynesian Liquidity Trap and its Implications; Determination of money supply; credit creation; monetary policy - meaning, objectives and tools.	12		14
4	Inflation - meaning, types, causes and effects; demand-pull and cost-push inflation; Inflationary gap; Deflation - meaning, effects; Inflation Vs. deflation; Hyperinflation - causes of hyperinflation, costs of hyperinflation; Anti-Inflationary Measures - Monetary policy and Fiscal policy.	12		14
5	Classical systems-Say's Law, Theory of Determination of	12		14

	Income and Employment; Keynesian systems- Simple Keynesian model of income determination; Aggregate Demand and Aggregate Supply, equilibrium aggregate output; Product market and the IS curve, Money Market and the LM curve, Determination of Equilibrium income and interest rate: the IS-LM model; fiscal and monetary multipliers.		
Total		60	70

Reading List:

1. Dornbusch, Fischer and Startz, *Macroeconomics*, McGraw Hill, 11th edition, 2010.
2. N. Gregory Mankiw. *Macroeconomics*, Worth Publishers, 7th edition, 2010.
3. Olivier Blanchard, *Macroeconomics*, Pearson Education, Inc., 5th edition, 2009.
4. Richard T. Froyen, *Macroeconomics*, Pearson Education Asia, 2nd edition, 2005.
5. Andrew B. Abel and Ben S. Bernanke, *Macroeconomics*, Pearson Education, Inc., 7th edition, 2011.
6. Errol D'Souza, *Macroeconomics*, Pearson Education, 2009.
7. Paul R. Krugman, Maurice Obstfeld and Marc Melitz, *International Economics*, Pearson Education Asia, 9th edition, 2012.

B.A./ BSc Economics (Minor)
ECON101: ELEMENTARY MICROECONOMICS (4 Credits)
Full marks: 100 (Mid Term-30 + End Term-70)
(Honours programme: 1st semester)

Course Description

This course is designed to expose the students to the basic principles of microeconomic theory. The emphasis will be on thinking like an economist and the course will illustrate how microeconomic concepts can be applied to analyze real-life situations.

Units		No of Lecture hours	No of Tutorial hours	Marks
1	Exploring the subject matter of Economics: Why study economics? Scope and method of economics; Scarcity and choice; Types of Microeconomic Analysis, Goals of Microeconomics- Growth and Efficiency; The economic problems: the question of what to produce, how to produce and how to distribute output; Economic models: Verification and general features of economic models ; the basic competitive model - prices, property rights and profits; incentives and information; rationing; opportunity sets; economic systems- Command, Free Market and Mixed; reading and working with graphs.	12		14
2	Supply and Demand: How Markets Work, Markets and Welfare: Markets and competition; determinants of individual demand/supply; demand/supply schedule and demand/supply curve; market versus individual demand/supply; shifts in the demand/supply curve, demand and supply together; how prices allocate resources; elasticity and its application; controls on prices; taxes and the costs of taxation; consumer surplus; producer surplus and the efficiency of the markets.	12		14
3	The Household Behaviour and Consumer's Choice: The consumption decision - budget constraint, consumption and income/price changes, demand for all other goods and price changes; description of preferences (representing preferences with indifference curves); properties of indifference curves; consumer's optimum choice; income and substitution effects; labour supply and savings decision - choice between leisure and consumption.	12		14
4	The Firm and Perfect Market Structure Behaviour of profit maximizing firms and the production process; short run costs and output decisions- Basic concepts, relationships, output decisions: revenues, costs and profit maximization; costs and output in the long run- short run conditions and long run directions, Long run costs: economies and diseconomies of scale, long run adjustments to short run conditions.	12		14

5	Input Markets Labour and land markets - basic concepts (derived demand, productivity of an input, marginal productivity of labour, marginal revenue product); demand for labour; input demand curves; shifts in input demand curves; competitive labour markets; and labour markets and public policy.	12		14
Total		60		70

Reading List:

1. Karl E. Case and Ray C. Fair, Principles of Economics, Pearson Education Inc., 8th Edition, 2007.
2. N. Gregory Mankiw, Economics: Principles and Applications, India edition by South Western, a part of Cengage Learning, Cengage Learning India Private Limited, 4th edition, 2007.
3. Joseph E. Stiglitz and Carl E. Walsh, Economics, W.W. Norton & Company, Inc., New York, International Student Edition, 4th Edition, 2007.
4. G.S. Maddala and Ellen Miller, Microeconomics: Theory and Applications, Mc Graw Hill Education, Tenth Reprint, 2013, New Delhi Edition.
5. R. S. Pindyck, D. N. Rubinfeld and P. L. Mehta (2009): Microeconomics, 7th Edition, Pearson, New Delhi.