

THIRUVALLUVAR UNIVERSITY
SERKKADU, VELLORE – 632 115

DEPARTMENT OF ECONOMICS



MASTER OF ARTS IN ECONOMICS

[Under Choice Based Credit System (CBCS)]

From the academic year 2014-15

SYLLABUS

FOR UNIVERSITY DEPARTMENT



THIRUVALLUVAR UNIVERSITY
MASTER OF ARTS DEGREE COURSE
M.A. Economics under CBCS
(with effect from 2014-2015)

REGULATIONS
CBCS PATTERN
with effect from 2014-2015

Definitions:

Programme : “Programme” means a course of study leading to the award of a degree in a discipline.

Course: “Course” refers to a paper / practical / subject offered under the degree programme. Each Course is to be designed variously under lectures / tutorials / laboratory or field work / seminar / practical training / Assignments / Term paper or Report writing etc., to meet effective teaching and learning needs.

i) **Core Courses**

“The Core Courses” related to the programme concerned including practicals offered in the programme”.

ii) **Elective Courses**

“Elective courses” related to the core courses of the programme concerned, offered in the programme”.

A detailed explanation of the above with relevant credits are given under **“Scheme of Examination along with Distribution of Marks and Credits”**

Duration:

This means the stipulated years of study to complete a programme as prescribed by the University from time to time. Currently for the postgraduate programme the duration of study is TWO years. These regulations shall apply to the regular course of study in approved institutions of the University.

Credits :

The weightage given to each course of study (subject) by the experts of the Board of Studies concerned. The term ‘Credit’ refers to the weightage given to a course, usually in relation to the instructional hours assigned to it. For instance, a six hour course per week is assigned 6/5/4 credits, a five hour course per week is assigned 5/4/3 credits and a four hour course per week is given 4/3/2 credits. However, in no instance the credits of a course can be greater than the hours allotted to it. The total minimum credits, required for completing a PG program is 90.

Credit System:

The course of study under this regulation, where weightage of credits are spread over to different semesters during the period of study and the Cumulative Grade Point Average shall be awarded based on the credits earned by the students. A total of 90 credits are prescribed for the Postgraduate Programme offered in two years.

Choice Based:

All Postgraduate Programmes offered by the University shall be under Choice Based Credit System.

Choice Based Credit System (CBCS):

This is to enhance the quality and mobility of the students within and between the Universities in the country and abroad.

1. Eligibility for Admission to the Course

A candidate who have passed the BA Tamil, BLitt Tamil, UG Part-I Tamil Degree Examinations in this University or an Examination of any other University accepted by the Syndicate as equivalent thereto shall be permitted to appear and qualify for the Master of Arts(MA) Degree Examination of this University after a Course of two academic years in the University Department.

No student shall be eligible for admission to a Master's degree programme in any of the faculties unless he/she has successfully completed a three year undergraduate degree or earned prescribed number of credits for an undergraduate degree through the examinations conducted by a University / autonomous institution or possesses such qualifications recognized by the Thiruvalluvar University as equivalent to an undergraduate degree. Provided that candidates for admission into the specific main subject of study shall also possess **such other qualifying conditions as may be prescribed by the University in the Regulations** governing respective courses of study.

2. Duration of the Course

The course shall extend over a period of **two years comprising** of four semesters with two semesters in one academic year. There shall not be less than 90 working days for each semester. Examination shall be conducted at the end of every semester for the respective subjects. Each semester have 90 working days consists of 5 teaching hours per working day. Thus, each semester has 450 teaching hours and the whole programme has 1800 teaching hours. However, sixth hour of working day is allotted to library reference, writing data base, preparing seminar, assignments and additional classes. A teacher will supervise the 6th hour activities of the students by rotation method. In this method 30 working hours are in a week. The odd semesters shall consist of the period from July to November and the even semesters from December to April.

3. Course of Study

The course of study for Masters Degree Course in Tamil shall consist of Core, Elective subjects and a Documentation Programme in third semester (2nd semester vacation period) and a Research Project in the fourth semester.

4. Distribution of Credit Points and Marks

The Minimum Credit Requirement for a two year Master's programme shall be 90 (ninety) Credits. The break-up of credits for the programme is as follows:

- (a). Core Courses : 64 credits
- (b). Elective Courses- type I : 12 credits
- (c). Elective Courses- type II : 08 credits
- (d). Documentation report with viva-voce : 03 credits
- (d). Research Project with Viva-voce : 03 credits

5. Continuous Internal Assessment (C.I.A) Test

The following assessment procedure will be followed for awarding the internal marks in the evaluation of the students performances. The best 2 C.I.A's test marks out of 3 C.I.A's tests marks, will be taken for awarding the internal marks.

- (a). C.I.A Test Marks : 10 marks
- (b). Seminar : 10 marks
- (c). Assignment : 05 marks
- Total : **25 marks**

6. Requirement to appear for the examinations

a) A candidate shall be permitted to appear for the university examinations for any semester (theory as well as project/documentation) if

- i. He/she secures **not less than 75%** of attendance in theory as well as in project (separate attendance registers shall be maintained for theory and project) in the number of working days during the semester.
- ii. In the case of married woman candidates the minimum attendance requirement shall be not less than 55% of the total instructional days in theory as well as in project.
- iii. His/her conduct shall be satisfactory.

Provided that it shall be open to the Syndicate, or any authority delegated with such powers by the Syndicate, to grant exemption to a candidate who has failed to earn 75% of the attendance in theory as well as in project, prescribed, for valid reasons, subject to usual conditions.

b) A candidate who has secured **less than 75% but 65%** and above attendance in any semester separately for theory and project, shall be permitted to take the examination on the recommendations of the Head of the Department to condone the lack of attendance on the payment of prescribed fees to the University, separately for theory and project.

c) A candidate who has secured **less than 65% but 55%** and above attendance in any semester in theory as well as in project, has to compensate the shortage in attendance in the subsequent semester (in the next year) besides earning the required percentage of attendance in that semester and appear for both semester papers together at the end of the later semester, on the payment of prescribed fees to the University, separately for theory and project. However, shortage of attendance in I-semester shall be compensated while studying in III semester, shortage of attendance in II-semester shall be compensated while studying in IV semester, shortage of attendance in III&IV- semesters shall be compensated after rejoining the course in the

3rd year. Also, separate attendance registers shall be maintained in theory as well as project, for compensating the shortage of attendance. During the hours of compensation of attendance, the candidate shall not be given attendance for the regular semester classes.

d) A candidate who has secured **less than 55%** of attendance in any semester separately for theory and project, shall not be permitted to appear for the regular examinations in that particular semester or in subsequent semesters. He/she has to rejoin/ re-do the semester in which the attendance is less than 55%, on the payment of prescribed fees to the University, separately for theory and project, after getting prior approval of the University.

e) A candidate who has secured **less than 65%** of attendance in the final semester separately for theory and project, has to compensate his/her attendance shortage in a manner as decided by the concerned Head of the department, after getting prior approval of the University. The candidate shall be permitted to rejoin in the 4th semester, after completing his/her regular 2 year course.

7. Documentation and Research Project

7i) Guidelines for the Documentation programme with Viva-voce

(i). The Topic of the Documentation programme shall be assigned (with consultation with concern candidate) to the candidate at the end of the 2nd semester and a copy of the same should be communicated to the University for approval. A convening committee of faculty members (minimum three members) to separate candidate shall supervise the documentation process from the planning stage.

(ii). The students should prepare three copies of the Documentation report and submit the same in the end of June (3rd semester) for the evaluation by examiners. After evaluation one copy is to be retained in the University Library, one in the Department Library and the one with the student.

(iii). Format for the preparation of project work:

- (a). Title Page
- (b). Bonafide Certificate
- (c). Acknowledgement
- (d). Table of contents

| Chapter No. | Title | Page No. |
|-------------|---|----------|
| 1 | Introduction | |
| 2 | Review of Literature | |
| 3 | Analysis in chapters | |
| 4 | Summary | |
| 5 | Results | |
| | References | |
| | Annexures(video, audio, Printed documents) | |

7ii) Guidelines for the Research Project with Viva-voce

(i). The Topic of the project shall be assigned to the candidate (with consultation with concern candidate) at the end of the third semester and a copy of the same should be communicated to the university for approval.

(ii). The students should prepare three copies of the project and submit the same for the evaluation by examiners. After evaluation one copy is to be retained in the University Library, one in the Department Library and the one with the student.

(iii). Format for the preparation of project work:

- (a). Title Page
- (b). Bonafide Certificate
- (c). Acknowledgement
- (d). Table of contents

| Chapter No. | Title | Page No. |
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| 3 | Analysis in chapters | |
| 4 | Summary | |
| 5 | Results | |
| 6 | References | |
| 7 | Annexures | |

8. Scheme of Examination

- a. Any theory examination is conducted only for 3 hours irrespective of total marks allotted for the examinations.
- b. There shall be theory examinations at the end of each semester, for odd semesters in the month of October / November; for even semesters in April / May. A candidate who does not pass the examination in any course(s) shall be permitted to appear in such failed course(s) in the subsequent examinations to be held in October / November or April / May.
- c. All candidates admitted in first year, should get registered for the first semester examination, compulsorily. If registration is not possible owing to any reason including shortage of attendance beyond condonation limit, belated joining or on medical grounds, the candidates are permitted to rejoin the course in the next year.
- d. In case of research project work and documentation programme there will be a Viva-voce Examination: Each candidate shall be required to appear for Viva-Voce Examination.

9. Restrictions to appear for the examinations

Any candidate having arrear paper(s) shall have the option to appear in any arrear paper along with the regular semester papers, in theory as well as in project, as long as the transitory provision is applicable.

10. Medium of Instruction and Examinations

The medium of instruction for the courses is Tamil only.

11. Question Paper Pattern(External)

The question paper pattern for the University theory examinations is as follows:

Time: Three Hours

Maximum Marks : 75

Part – A($10 \times 2 = 20$ marks)

Answer **ALL** questions

(Two questions from each unit)

Part – B($5 \times 5 = 25$ marks)

Answer **ALL** questions

(Two questions from each unit with internal Choice [either or type])

Part – C($3 \times 10 = 30$ marks)

Answer any **Three** questions out of **Five** questions

(One question from each unit)

12. Guidelines for Evaluation of the Project with Viva-voce

(i). The documentation report/research project report should be evaluated for 75 marks by an external examiner and 75 marks by the internal examiner, 50% the total marks of both is the external mark, and the Viva-voce should be conducted for 25 marks by the external examiner and the internal guide concerned.

(ii). The body of the documentation report and research project report may consist of 75 to 100 pages in print form, 10 point letter and single space. Annexures may be required level.

(iii). The candidate has to submit the research project report 15 days before the commencement of the IV Semester examinations. Documentation report has to submit in the last working day of June in 3rd semester.

(iv). For the documentation/project work and viva-voce, a candidate should secure 50% of the marks for a pass.

(iv). A candidate who fails in the documentation report and research project, may resubmit the report (on the same topic) with necessary modification / correction / improvements in the subsequent semester examination for evaluation.

13. Passing Minimum

a) A candidate shall be declared to have passed the whole examination, if the candidate passes in all the theory papers, including project wherever prescribed as per the scheme of examinations by earning 90 credits in Core and Elective courses, including the project.

b) A candidate should get **not less than 50% in the University (external)** Examination, compulsorily, in all papers, including the project. Also the candidate who secures **not less than 50%** marks in the external as well as internal (C.I.A) examinations put together in any paper / practical shall be declared to have successfully passed the examination in the subject in theory as well as Project. There shall be no passing minimum for the C.I.A. The candidate who absents himself for CIA programmes, even after a repeated chance, will be awarded zero mark in the concerned subject.

14. Distribution

Table – 1(A): The following are the distribution of marks for external and internal for University (external) examination and continuous internal assessment and passing minimum marks for **theory papers of PG programmes**.

| Uni.Exam Total(E.S.E) | Passing Minimum For Uni.Exam | C.I.A Total | Passing Minimum For C.I.A | Total Marks Allotted | Passing Minimum (Uni.Exam+C.I.A) |
|--------------------------|------------------------------------|----------------|---------------------------------|----------------------------|-------------------------------------|
| 75 | 38 | 25 | 0 | 100 | 50 |

Note : E.S.E stands for End Semester Examination

15. Grading

Once the marks of the C.I.A and end-semester examinations for each of the course are available, they shall be added. The mark thus obtained shall then be converted to the relevant letter grade, grade point as per the details given below:

Conversion of Marks to Grade Points and Letter Grade (Performance in a Course/Paper)

| RANGE OF MARKS | GRADE POINTS | LETTER GRADE | DESCRIPTION |
|-------------------|-----------------|-----------------|---------------------|
| 90-100 | 9.0-10.0 | O+ | Outstanding |
| 80-89 | 8.0-8.9 | D+ | Excellent |
| 75-79 | 7.5-7.9 | D | Distinction |
| 70-74 | 7.0-7.4 | A+ | Very good |
| 60-69 | 6.0-6.9 | A | Good |
| 50-59 | 5.0-5.9 | B | Second Class |
| 40-49# | 4.0-4.9 | C | Satisfactory |
| 00-49 | 0.0 | U | Re-appear |
| Absent | 0.0 | AAA | ABSENT |

C_i = Credits earned for course i in any semester

G_i = Grade Point obtained for course i in any semester

n = refers to the semester in which such course were credited

Grade point average (for a Semester):

Calculation of grade point average semester-wise and part-wise is as follows:

$$\text{GRADE POINT AVERAGE [GPA]} = \frac{\sum C_i G_i}{\sum C_i}$$

Sum of the multiplication of grade points by the credits of the courses offered under each part

$$\text{GPA} = \frac{\text{Sum of the credits of the courses under each part in a semester}}{\text{Sum of the credits of the courses under each part in a semester}}$$

Calculation of Grade Point Average (CGPA) (for the entire programme):

A candidate who has passed all the examinations prescribed is eligible for the following partwise computed final grades based on the range of CGPA.

CUMULATIVE GRADE POINT AVERAGE [CGPA] = $\Sigma n \Sigma i C_{ni} G_{ni} / \Sigma n \Sigma i C_{ni}$

Sum of the multiplication of grade points by the credits of the entire programme under each part

CGPA = -----
 ---Sum of the credits of the courses of the entire programme under each part

| CGPA | GRADE |
|------------------------------|-------|
| 9.0 and above but below 10.0 | O |
| 8.0 and above but below 9.0 | D+ |
| 7.5 and above but below 8.0 | D |
| 6.5 and above but below 7.5 | A+ |
| 6.0 and above but below 6.5 | A |
| 5.0 and above but below 6.0 | B |
| 0.0 and above but below 5.0 | U |

16. Improvement of Marks in the subjects already passed

Candidates desirous of improving the marks awarded in a passed subject in their first attempt shall reappear once within a period of subsequent two semesters by paying the fee prescribed from time to time. The improved marks shall be considered for classification but not for ranking. When there is no improvement, there shall not be any change in the original marks already awarded.

If candidate improves his marks, then his improved marks will be taken into consideration for the award of Classification only. Such improved marks will not be counted for the award of Prizes / Medals, Rank and Distinction. If the Candidate does not show improvement in the marks, his previous marks will be taken into consideration. No candidate will be allowed to improve marks in the Documentation report and Research Project and Viva-voce.

17. Classification of Successful candidates

A candidate who passes all the examinations including project securing following CGPA and Grades shall be declared as follows **for Part I or Part II**:

| CGPA | GRADE | CLASSIFICATION OF FINAL RESULT |
|-----------------------------|-------|--------------------------------|
| 9.5 - 10.0 | O+ | First class –Exemplary* |
| 9.0 and above but below 9.5 | O | |
| 8.5 and above but below 9.0 | D++ | First Class with Distinction |
| 8.0 and above but below 8.5 | D+ | |
| 7.5 and above but below 8.0 | D | |
| 7.0 and above but below 7.5 | A++ | First Class |
| 6.5 and above but below 7.0 | A+ | |
| 6.0 and above but below 6.5 | A | |
| 5.0 and above but below 6.0 | B+ | Second Class |
| 5.0 and above but below 5.5 | B | |
| 0.0 and above but below 4.0 | U | Re-appear |

- a. A candidate who has passed all the examination including project in the first appearance within the prescribed duration of the PG programme and secured a CGPA of 9 to 10 and equivalent grade “O” in Core and Elective subjects shall be placed in the category of **“First Class – Exemplary”**.
- b. A candidate who has passed all the examination including project in the first appearance within the prescribed duration of the PG programmes and secured a CGPA of 7.5 to 9 and equivalent grades “D”, “D+” or “D++” in Core and Elective shall be placed in the category of **“First Class with Distinction”**.
- c. A candidate who has passed all the examination including project of the PG programme and secured a CGPA of 6 to 7.5 and equivalent grades “A”, “A+” or “A++” shall be declared to have passed that parts in **“First Class”**.
- d. A candidate who has passed all the examination including project of the PG programmes and secured a CGPA of 5.5 to 6 and equivalent grade “B” shall be declared to have passed that parts in **“Second Class”**.

18. Conferment of the Degree

No candidate shall be eligible for conferment of the Degree unless the candidate;

- i. Has undergone the prescribed course of study for a period of not less than four semesters in Thiruvalluvar University or has been exempted from in the manner prescribed and has passed the examinations as have been prescribed therefor.
- ii. Has completed all the components prescribed under core and elective subjects in the CBCS pattern to earn 90 credits.

19. Ranking

- A candidate who qualifies for the PG degree course passing all the examinations in the first attempt, within the minimum period prescribed for the course of study from the date of admission to the course and secures I or II class shall be eligible for ranking and such ranking shall be confined to 10 % of the total number of candidates qualified in that particular branch of study, subject to a maximum of 10 ranks.
- In the case of candidates who pass all the examinations prescribed for the course with a break in the first appearance due to the reasons as furnished in the Regulations 5(a) (iii) supra are eligible for classification / Distinction.

The marks obtained in improvement examinations shall not be taken into consideration for ranking.

20. Revision of Regulations and Curriculum

The above Regulation and Scheme of Examinations will be in vogue without any change for a minimum period of two years from the date of approval of the Regulations. The University may revise /amend/ change the Regulations and Scheme of Examinations, if found necessary.

M.A. ECONOMICS

| S.NO. | PAPER CODE | TITLE OF THE PAPER | CREDIT | CIA | UNI. EXAM | TOT |
|-------|------------|---|--------|-----|-----------|-----|
| | | I YEAR (I SEMESTER) | | | | |
| 1. | PDEC 11 | Micro Economic Analysis I | 5 | 25 | 75 | 100 |
| 2. | PDEC 12 | Macro Economic Analysis I | 5 | 25 | 75 | 100 |
| 3. | PDEC 13 | Mathematics for Economists | 5 | 25 | 75 | 100 |
| 4. | PDEC 14 | Economic Growth & Development | 4 | 25 | 75 | 100 |
| | | ELECTIVE I (Choose any ONE A or B) | | | | |
| 5. | PDEC 15A | Industrial Economics | 3 | 25 | 75 | 100 |
| 6. | PDEC 15B | Human Resource Management | 3 | 25 | 75 | 100 |
| | | I YEAR (II SEMESTER) | | | | |
| 7. | PDHR 20 | Human Rights | 2 | 25 | 75 | 100 |
| 8. | PDEC 21 | Micro Economic Analysis II | 5 | 25 | 75 | 100 |
| 9. | PDEC 22 | Macro Economic Analysis II | 5 | 25 | 75 | 100 |
| 10. | PDEC 23 | Statistical Methods | 4 | 25 | 75 | 100 |
| 11. | PDEC 24 | Health Economics | 4 | 25 | 75 | 100 |
| | | ELECTIVE II (Choose any ONE A or B) | | | | |
| 12. | PDEC 25A | Agricultural Economics | 3 | 25 | 75 | 100 |
| 13. | PDEC 25B | Welfare Economics | 3 | 25 | 75 | 100 |
| | | II YEAR (III SEMESTER) | | | | |
| 14. | PDEC 31 | Public Economics I | 5 | 25 | 75 | 100 |
| 15. | PDEC 32 | Research Methodology | 5 | 25 | 75 | 100 |
| 16. | PDEC 33 | International Economics I | 5 | 25 | 75 | 100 |
| 17. | PDEC 34 | Indian Economic Development and Policies | 5 | 25 | 75 | 100 |
| | | ELECTIVE III (Choose any ONE A or B) | | | | |
| 18. | PDEC 35A | Computer Application in Economic Analysis | 3 | 25 | 75 | 100 |
| 19. | PDEC 35B | Labour Economics | 3 | 25 | 75 | 100 |
| | | II YEAR (IV SEMESTER) | | | | |
| 20. | PDEC 41 | Public Economics II | 5 | 25 | 75 | 100 |
| 21. | PDEC 42 | Managerial Economics | 5 | 25 | 75 | 100 |

M.A. Economics: Syllabus (CBCS)

| S.NO. | PAPER CODE | TITLE OF THE PAPER | CREDIT | CIA | UNI. EXAM | TOT |
|--------------|-------------------|--|---------------|------------|------------------|-------------|
| 22. | PDEC 43 | International Economics II | 5 | 25 | 75 | 100 |
| | | ELECTIVE IV (Choose any ONE A or B) | | | | |
| 23. | PDEC 44A | Environmental Economics | 3 | 25 | 75 | 100 |
| 24. | PDEC 44B | Monetary Economics | 3 | 25 | 75 | 100 |
| 25. | PDEC 45 | Project Work | 4 | 50 | 150 | 200 |
| | | | 90 | | | 2200 |

SEMESTER - I

PAPER – 1

MICRO ECONOMIC ANALYSIS – I

Objective

This subject provides an in-depth knowledge on microeconomic analysis, because it is the basis for applied economic research. Under this subject student will study how the economic forces are operate.

Unit – I: Consumer Behaviour and Demand

Consumer preferences, opportunity costs, optimum choices, indirect utility demand functions, income and substitution effects, Slutsky equation, normal versus inferior goods, equivalent variation and compensating variation.

UNIT – II: Utility Analysis

Cardinal Utility Approach – Indifference Curve analysis – Revealed Preference Theory of Demand – Recent Development in Demand Theory - Hicksian Revised Theory – Consumer's choice involving risk (N-M hypothesis) – Friedman – Savage hypothesis – Armstrong's Marginal Preference Theory.

UNIT- III: Elasticity of Demand

Consumer Surplus - Meaning, Marshall's Measurement of Consumer Surplus, Measurement of Consumer Surplus through indifference Curve analysis - Critical Evaluation - Elasticity of Demand : Meaning, Price Elasticity of Demand - Methods of measuring elasticity of demand - Income Elasticity of Demand, Cross Elasticity of Demand, Numerical Problems .

Unit – IV: Production and Cost Analysis

Production functions, types of production: Euler's theorem, Cobb-Douglas production function, CES production function, Marginal products, Rate of technical substitution, technical progress, Cost functions, Average and marginal costs, Derivation of cost function from production function – Traditional and modern cost analysis.

Unit – V: Competitive Markets

Assumptions of Perfect market, Competitive market, Demand and supply curve of Individual firms, Short-run Vs Long-run, Competitive market equilibrium, Price control and shortages.

References:

- Gravelle Hugh and Ray Rees (2008), Microeconomics, Pearson Education Inc. and Dorling Kindersely Publishing Inc., New Delhi.
- Jehle Geoffrey A and Philip J Reny (2008), Advanced Microeconomic Theory, Pearson Education Inc. and Dorling Kindersely Publishing Inc., New Delhi.
- Cowell A Frank (2006), Microeconomics: Principles and Analysis, Oxford University Press, New York.
- Pindyck, R.S. and D.L. Rubinfeld (2004), Microeconomics, fifth edition, Prentice Hall, New Delhi.
- Ahuja H.L. (2003), Advanced Economic theory: Microeconomic Analysis, 13th Edition, S.Chand and Co. Ltd. New Delhi.
- Sen A. (1999), Microeconomics: Theory and Application, Oxford University Press, New Delhi.
- Stigler G. (1996), Theory of Price, 4th Edition, Prentice Hall of India, New Delhi.
- Maddala G.S and Ellen Muller (1989), Microeconomics: Theory and Applications, McGraw Hill, Singapore.
- Koutsoyiannis, A. (1983), Modern Micro economics, Macmillan Press, London.
- Henderson, M and R.E. Quandt., (1980), Microeconomic Theory: Mathematical Approach, McGraw Hill Publications, London.

PAPER – 2

MACRO ECONOMIC ANALYSIS - I

Objective

Macro economics founds the functional relationship and essential for the proper comprehension of the different policies and issues at aggregate level. Macro economic inequalities, imbalances and correcting policies and part of the new economic policy implemented in India.

Unit – I: Nature and Significance of Macro Economics

The nature and significance of macro economics – Limitations – Statics and comparative – Statics and dynamics – The major issues and concerns of macro economics: Determination of national income and employment, General price level and inflation, Business cycles, Economic growth, Macroeconomic policies and government.

Unit – II: Theories of Employment

Theory of employment – Classical theory of employment – Say's law – The Keynesian theory of income, output and employment – Unemployment and full employment - Criticisms of Keynesian theory.

Unit – III: The Consumption Function

The Consumption Function – Theories of Consumption Function – Determinants of Consumption Function – Post Keynesian developments: Absolute Income Hypothesis, Relative Income Hypothesis, The Permanent Income Hypothesis, The Life Cycle Hypothesis.

Unit –IV: Investment Function

Investment theory – MEC and interest rate – The multiplier – Accelerator interaction – Determinants of the level of investment – MEI – Relationship between MEC and MEI – Influence of policy measures on investment – Tobin's Portfolio Choice Theory.

Unit – V: Models of Macro Economic Policies

Macro economic policy – Objectives and instruments – Problems of macroeconomic policy: objectives, The Swan model, The Mundellian model, Rules Vs discretion in economic policy, Monetary lags, Lags in effects of economic policy.

References:

- Balanchard, O. (2009), *Macroeconomics*, Pearson Education, New Delhi.
- Scarth, W., (2007), *Macroeconomics: An Introduction to Advanced Methods*, third edition, Thomson, Oxford University Press, London.
- Dornbusch, R., S. Fisher, & R. Statz (2002), *Macroeconomics*, Tata McGraw Hill, Delhi.
- Mankiw, N.G., (2002), *Macroeconomics*, Fifth edition, Worth Publishers, New Delhi.
- Abel, A.W. & B.S. Bernanke (2001) *Macroeconomics*, Addison Wesley Longman, New York.
- Froyen, R.T. (1999), *Macroeconomics: Theories and Policies*, Addison Wesley Longman, New York.
- Blanchard, O.J. & S. Fisher (1992), *Lectures on Macroeconomics*, MIT Press, Cambridge.
- Mankiw, N. Gregory & David Romer (eds) (1991), *New Keynesian Economics*, Vol.1 & 2, MIT Press, Cambridge.

PAPER – 3

MATHEMATICS FOR ECONOMISTS

Objective

The objective of this paper is to study the basic mathematical concepts relating to economic analysis and its applications.

Unit – I: Matrix – An Introduction

Matrix – their types - Simple operations on matrices - Matrix inversion and rank matrix - Determinants and their basic properties- Solution of simultaneous equations through matrix - Cramer's rule.

Unit – II: Linear programming

Basic concept - formulation of a linear programming problem - its structure and variables - Nature of feasible, basic and optimal solution- Solution of linear programming through graphical method - Statement of basic theorems of linear programming - Formulation of dual programme and its interpretation.

Unit – III: Rules of Differentiation

Rules of differentiation - Total derivatives and Partial derivatives - Maxima and minima, points of inflexion - Optimisation – Unconstrained & Constrained - Application to economics: cost curves- demand curves-Theory of the consumer and Theory of the Firm under Perfect and Imperfect Competition.

Unit – IV: Integration and its Economic Application

Integration - Simple rules of integration- Application to consumer's surplus and producer's surplus.

Unit – V: Input-Output Analysis

Input-Output analysis – open and closed model – Leontief Model – Economic applications and uses of Input and Output model.

References:

- Metha and Madnani. (2012), Mathematics for Economists, Sultan chand and sons, New Delhi.
- Agarwall D.R (2010), Mathematics for Economists, Vrinda publications, New Delhi.
- Henderson, J.M. & R.E. Quandt (1995), Microeconomic Theory: A Mathematical Approach, McGraw Hill, New York.
- Allen, R.G.D. (1978), Mathematical Economics, Macmillan, London.

PAPER – 4

ECONOMIC GROWTH AND DEVELOPMENT

Objective

Objective of this paper is to understand the relevance of economics in growth and development perspectives. This will enable the students to study functional growth models relevant to economic development.

Unit – I: Classical Views

Classical - Adam Smith – Ricardo – Malthus; Schumpeter - The Production Process – Schumpeter's view of the system – Growth and development of an economy – Business fluctuations and the Process of Development.

Unit – II: Models of Growth and Development

Harrod-Domar Model - The conditions required for steady growth – Domar's model of economic growth – Harrod's model of economic growth – Comparison of the two models – Critical evaluation of the Harrod-Domar models – Kaldor's model – Solow – Meade - Issues of Stability – Exogenous technical progress and population growth.

Unit – III: Joan Robinsons Views

Concept explanation – Assumptions – Structure of the model - The golden age – Various types of golden and platinum age – Critical evaluation of the models.

Unit – IV: Technical Progress and Labour Saving

The role of capital in economic development – The Capital-Output Ratio – Capital and Labour Saving Technical Progress – Harrod and Hicks' classification of technical progress – Investment in Human Capital – Physical and financial human capital.

Unit – V: Foreign Direct Investment

Concept explanation – FDI in Less Developed Countries - Gains and potential costs of Transnational Corporations (TNCs) to a host country – Long term costs of TNCs – The potential for environmental degradation – Export Processing Zones and the problems of small nations – Bargaining with the TNCs.

References:

- A.P. Thirlwal (1999), Growth and Development, MacMillan, London.
- Michael P. Todaro (1996), Economic Development, Longman, London.
- A.K. Sen (Ed.) (1990), Growth Economics, Penguin, Harmondsworth.
- Chakravarty, Sukhomoy (1982) Alternative Approaches to a Theory of Economic Growth, Orient Longman , Calcutta.

ELECTIVE

PAPER – 1

A. INDUSTRIAL ECONOMICS

Objective

The objective of the papers intends to provide knowledge to the students on the basic issues as productivity, efficiency, capacity utilization and debate involved in industrial development.

Unit – I: Industrialisation and Economic Development

Meaning of industrialisation – Characteristics of industrialization – Classification of industry – Industrialisation and economic growth – Determinants of industrial growth – Developing countries and industrialisation – Adverse effects of industrialisation – Government policy.

Unit – II: Industrial Location and Productivity

Determinants of industrial location – Theories of industrial location – Webbers – Sargant Florence – Balanced regional development of industries – Need for balanced regional development in India – Productivity and its Measurement – Productivity in India.

Unit – III: Foreign Investment and Collaboration

Multinational corporations (MNC) – recent trends, perspective – Foreign investment by Indian companies; MNCs in India – Importance of MNC's – Factors responsible for their growth – Globalisation of Indian business – Globalisation strategy.

Unit – IV: Indian Industrial Policy, Planning and Development

Industrial policies – Industrial licensing – Hazari committee – Dut committee report – New economic policy, LPG – Implementation of industrial policy reforms – Exit policy – Five Years Plans and Industrial Development – Industrial proliferation and environmental preservation.

Unit – V: Industrial Finance

Objectives, Role, types of institutional finance for industries – IDBI, IFCI, ICICI, NIDC, SIDCS, UTI, LIC, Commercial bank and industrial finance – Definition of sick units – Causes of sick units - Government policy – Khadi and village industries (KVIC) – Industrial development during pre and post independence period – Industrial legislation and labour welfare – Social security measures.

References:

- Rajana Seth (2010), Industrial Economics, Ane Books Pvt. Ltd., Chennai.
- Sivaya.K.V. and Das V.B.M (2004), Indian Industrial Economy, S.Chand and Company Ltd., New Delhi.
- Francis, Cherunilam (1994), Industrial Economics, Indian perspective (Third Edition), Himalaya Publishing House, Mumbai.
- Singh.A. and A.N. Sadhu (1988), Industrial Economics, Himalaya Publishing House, Bombay.
- Barthwal, R.R (1985), Industrial Economics, Wiley Eastern Ltd., New Delhi.
- Kuchhal S.C (1980), Industrial Economy of India, 5th Edition, Chaitanya Publishing House, Allahabad.
- Divine P.J & R.M. Joneset Al (1976), An Introduction to Industrial Economics, George Alen and Union Ltd., London.

B. HUMAN RESOURCE MANAGEMENT

Objective

The paper is to impart to the students to understanding the role of Human Resource Management, the selection process and various test of interviews. It is very helpful to the students to learn more knowledge about the various Bargaining system and Human Resource agencies.

Unit – I: Human Resource Management

Definition – Objectives – Functions – Scope – Importance – HRM in India – Evolution of HRM – Computer Application in HRM – Human Resource Planning – Job analysis, Job description and job specification.

Unit – II: Recruitment and Selection

Sources of recruitment – Selection process – Test types – Interview types – Career planning Vs Manpower planning and Succession planning – Process – Career development – Placement and induction.

Unit – III: Human Resource and Training

Methods of Training – Executive development – Performance appraisal and methods Transfers – Promotion – Wage and Salary administration – Wage boards and pay commission – Wage incentive – Employees welfare – Safety and health measures – Grievance procedures – Redressal of Grievances.

Unit – IV: Industrial Relations

Meaning and characteristics of industrial relations – Nature of trade unions – Problems of trade union – Measures to strengthen trade union movement in India – Causes for industrial disputes – Settlement of industrial disputes.

Unit – V: Human Resources and Collective Bargaining

Collective bargaining – Features – Pre-requisite of collective bargaining – Agreement at different levels - Workers participation in management – Objectives for successful participation.

References:

- P.Subba Rao (2003), “Personnel and Human Resource Management”, Himalaya Publishing House, New Delhi.
- K.Aswanthappa (2003), “Human Resource and Personnel Management”, Tata McGraw Hills publishing company, New Delhi.
- Pattanayak, (2002), “Human Resource Management.
- C.B. Gupta (2001), “Human Resource Management”, Sultan Sons, New Delhi.
- C.B. Memoria, Satish Memoria and V.Gankar (1989), “Dynamics of Industrial Relations”, Himalaya Publishing House, New Delhi.

SEMESTER - II

PAPER – 5

MICRO ECONOMIC ANALYSIS – II

Objective

The main objective of this subject is to study the concept of micro economics in advanced manner and to impart an understanding about the behavioural pattern of economic activities.

Unit – I: Oligopoly Market Structure

Theories of Oligopolistic Competition – Nash Equilibrium – Bertrand Competition in prices – Kinked Demand Curve – Non Collusive Oligopoly models – Cournot, Chamberlin, Sweezy and Stackelberg models – Collusive models – Product differentiation – Cartel formation and price leadership models – Duopoly.

Unit – II: Alternative Theories of the Firm

Baumol's model of sales revenue maximization – Marris maximum rate of growth and profits hypothesis – Williamson's discretion model – Behavioural model of Cyert and March.

Unit – III: Game Theory

Framework of Game Theory – Two person zero sum game – Under certainty and uncertainty – Dominant strategies – Non-zero sum games: Prisoners dilemma – Sequential and simultaneous games – Cooperative and non-cooperative games – Shapely value, backward Induction, sub-game perfect equilibrium – Repeated games.

Unit – IV: Information Economics

Information economics – Moral hazard problem, adverse selection, principal agent problem – theory of lemon, credit market, implications of asymmetric information, market signaling, hidden information modeling, efficiency wage model, information and insurance.

Unit – V: Input - Output Analysis and Linear Programming

Input-Output analysis – Leontif model – Linear programming problem – Feasible solution, objective function and optimal solution – Simplex method and iterative procedure.

References:

- Pindyck Robert S, Daniel Rubinfeld and Prem L Metha (2009), Microeconomics, Pearson Education and Prentice Hall, New Delhi.
- Gravelle Hugh and Ray Rees (2008), Microeconomics, Pearson Education Inc. and Dorling Kindersely Publishing Inc., New Delhi.
- Jehle Geoffrey A and Philip J Reny (2008), Advanced Microeconomic Theory, Pearson Education Inc. and Dorling Kindersely Publishing Inc., New Delhi.
- Landsburg E Stevan (2008), Pricing, South Western and Centage Learning, New Delhi.
- Perloff.J.M. (2001), Microeconomics, Addison Wesley Longman Publications, New Delhi.
- Sen, A (1998), Microeconomics: Theory and Applications, Oxford University Press, New Delhi.
- La Manna Manfredi M.A (1997), Readings in Microeconomic Theory, The Dryden Press, London.
- Pashigian B.Peter (1995), Price Theory and Applications, McGraw Hill, New York.

PAPER – 6

MACRO ECONOMIC ANALYSIS – II

Objective

Macro economics founds the functional relationship and essential for the proper comprehension of the different policies and issues at aggregate level. It is more scientific and blends itself with same empirical economic knowledge. Macro economic imbalances and correcting policies and part of the new economic policy implements in India.

Unit – I: Demand for Money

Demand for money – Classical approach – Keynesian approach – Post Keynesian development – Patinkin's integration of monetary theory with value theory – Approaches of Friedman, Boumal and Tobin – High powered money multiplier – Liquidity approach.

Unit – II: Supply of Money

Money Supply – Money multiplier – Model of money supply determination – Money supply in India – RBI definitions – Non Banking Financial Intermediaries and money supply.

Unit – III: Inflation

Inflation: Meaning, The Inflationary Gap, Keynes' Theory of Demand-Pull Inflation, Bent Hansen's Excess Demand Model, Cost-Push Inflation, Structural Inflation, Markup Inflation, Open and Suppressed Inflation, Friedman's View: The Long-run Phillips Curve – Tobin's View – Solow's View – Stagflation – Measures to control inflation – Effects of inflation – Inflation as a Tax – Deflation.

Unit – IV: IS and LM Functions

IS and LM functions – General equilibrium of product and money market – Changes in general equilibrium – IS-LM model with labour market and flexible prices – IS-LM model with flexible wages and prices – The New-classical analysis.

Unit – V: Modern Macro Economic Policies

Modern macro economics – The rational expectations hypothesis – Rational Expectations and Long-run Phillips Curve – Supply side economics – New classical macro economics.

References:

- M.L. Jhingan, (2010), *Macro Economic Theory*, 12th Edition, Vrinda Publications (P), Ltd., Delhi.
- Arjo Klammer (Ed.) (2009), *The New Classical Macro Economics: Conversations with New Classical Economics and their opponents*, Oxford University Press, New Delhi.
- Bain, K. & P.G.A. Howells (2003), *Monetary Economics: Policy and its Theoretical basis*, Palgrave Macmillan, London.
- Froyen Richard T (1999), *Macroeconomics*, Addison Welsey, Delhi.
- R.Levacic and Rebmann (1994), *Macro Economics*, Second Edition, ELBS Macmillan Publications, New Delhi.

PAPER – 7

STATISTICAL METHODS

Objective

This subject provides some knowledge in statistical methods to the students and the scholars involved in social science research activities.

Unit – I: Probability Theory

Probability - classical and empirical definitions of probability - Laws of addition and multiplication- Theorem of probability- Conditional probability.

Unit – II: Theoretical Distribution

Theoretical distribution - Binomial, Poisson and Normal distribution – Economic applications of distribution.

Unit – III: Correlation and Regression Analysis

Correlation analysis: Types, Methods, Karl Pearson's correlation, Spearman's Rank Correlation, Limitations – Regression analysis: The Model and estimation of regression coefficients – Economic applications.

Unit – IV: Sampling Techniques and Time Series

Sampling methods: Random and non-random sampling, Simple random sampling, Stratified random sampling – Concept of an estimator and its sampling distribution – Desirable properties of an estimator – Time series analysis.

Unit – V: Hypothesis Formation

Formulation of hypothesis – Null and alternative hypothesis - Type 1 and Type 2 errors - Goodness of fit - Confidence intervals and level of significance.

References:

- Gupta S.P (2012), Statistical Methods, Sultan chand and sons, New Delhi.
- Richard I. Levin, David S. Rubin (2010) "Statistics for management".
- Goon Gupta and Das Gupta (1986), Fundamentals of Statistics, The world press.
- Pilai and Bhagavati.

PAPER – 8

HEALTH ECONOMICS

Objective

To enable the student to understand the importance of health economics.

Unit – I: Introduction

Definition of Health Economics – Nature and significance of health economics – Demand and supply of health care – Characteristics of Demand for and supply of health care – Health indicators.

Unit – II: General Health Issues

Health status of the people in India – Health care services in Urban and Rural areas – Health inequalities in rural – Urban areas – Vital Statistics – Health infrastructure in India and Tamil Nadu – Evaluation of health programmes since independence.

Unit – III: Health Care Planning

Health Care Planning – Need for planning – Process of planning in health sector – Planning at the micro level – Health management – Management of health institutions.

Unit – IV: Mother-Child Health Care

Maternal Mortality – Natal care – Anaemia – Problems during Delivery – Rural and Urban Family Welfare Programmes – Infant mortality – Immunisation – Diarrhoea management – Child health care programmes.

Unit – V: Health Infrastructure and Nutritional Programme

Rural housing – Hygiene – Sanitation – Safe drinking water – 108 Ambulance services – Health care practice among tribals – Traditional health care practices – Implementation of Nutritional Programmes in India: Mid-day meals scheme, Integrated Child Development Scheme (ICDS) – Health Insurance – Health policy of the Government – Financial allocation – Role of private and NGOs in rural health system – Public-Private Partnership (PPPs) in health care system.

References:

- Dhandapani.C (2013), Prevention of Diseases in India, Global Research Publications, New Delhi.
- Dhandapani.C (2012), Health Issues and Challenges, Global Research Publications, New Delhi.
- Culyr.A.J (2010), The Directory of Health Economics, Edwasd Elgas Publications, Holland.
- Himanusha Skar, Rout and Prashant Panda (2007), Health Economics in India, New Century Publications Delhi.
- Culyr.A.J (2007), Health Economics, Routiedge, Holland.
- Gulyr.A.J. and Joseph.P (2003), Hand Book of Health Economics, New House, North Holland.
- Preethi Oberoi (2002), Health Management, Vikas Publications, New Delhi.

COMPULSORY PAPER
HUMAN RIGHTS

Objective

The objective of this paper is to know the human values and rights pertaining to contemporary economic situation. This will help the students in right perspectives.

UNIT- I

Definition of Human Rights - Nature, Content, Legitimacy and Priority - Theories on Human Rights - Historical Development of Human Rights.

UNIT- II

International Human Rights - Prescription and Enforcement upto World War II - Human Rights and the U.N.O. - Universal Declaration of Human Rights - International Covenant on Civil and Political Rights - International Covenant on Economic, Social and Cultural Rights and Optional Protocol.

UNIT- III

Human Rights Declarations - U.N. Human Rights Declarations - U.N. Human Commissioner.

UNIT- IV

Amnesty International - Human Rights and Helsinki Process - Regional Developments - European Human Rights System - African Human Rights System - International Human Rights in Domestic courts.

UNIT- V

Contemporary Issues on Human Rights: Children's Rights - Women's Rights - Dalit's Rights - Bonded Labour and Wages - Refugees - Capital Punishment. Fundamental Rights in the Indian Constitution - Directive Principles of State Policy - Fundamental Duties - National Human Rights Commission.

References:

- International Bill of Human Rights, Amnesty International Publication, 1988.
- Human Rights, Questions and Answers, UNESCO, 1982
- Mausice Cranston - What is Human Rights
- Desai, A.R. - Violation of Democratic Rights in India
- Pandey - Constitutional Law.
- Timm. R.W. - Working for Justice and Human Rights.
- Human Rights, A Selected Bibliography, USIS.
- J.C.Johari - Human Rights and New World Order.
- G.S. Bajwa - Human Rights in India.
- Amnesty International, Human Rights in India.
- P.C.Sinha & - International Encyclopedia of Peace, Security
K. Cheous (Ed) Social Justice and Human Rights (Vols 1-7).
- Devasia, V.V. - Human Rights and Victimology.

Magazines:

- The Lawyer, Bombay
- Human Rights Today, Columbia University
- International Instruments of Human Rights, UN Publication
- Human Rights Quarterly, John Hopkins University, U.S.A

ELECTIVE

PAPER – 2

A. AGRICULTURAL ECONOMICS

Objective

This paper aims to study the concepts issues of agricultural sector. To help the students to learn the various stages of agriculture and productivity. It is giving knowledge of Farm management and marketing to the students.

Unit – I: Nature and Scope of Agriculture

Agriculture and economic development – Characteristics of agriculture – Traditional and modern agriculture – role of agriculture in Economic development – Relationship between agriculture and Non-agricultural sectors.

Unit – II: Agricultural Productivity

Agricultural production – Factor combination and resource substitution – Production function – Size of farm and law of returns – Agricultural inputs on shifts in production function – Inter-state difference in productivity.

Unit – III: Farm Management

Farm management – Types of farm – Business organization – Farm planning – Methods of research techniques in farming – Farm size and efficiency debate – Management of farm resources – Risk and uncertainty.

Unit – IV: Agricultural Credit

Need and features – Significance of farm credit – source of agricultural finance – Credit system of various agencies – Special Agricultural Credit Plans (SACP) – Reserve Bank of India and Rural Credit (RBIRC) – The Agricultural Refinance Development Corporation (ARDC) – National Bank for Agriculture and Rural Development (NABARD) – Primary Agricultural Co-operative Credit Societies (PACS) – Lead Bank Scheme.

Unit – V: Agricultural Marketing and Pricing

Concepts and features of agricultural marketing – classification and process – Market structure – Functions – Regulated markets: Marketed and marketable surplus – Warehousing policy and facilities – Objectives of agricultural price policy – significance and importance of minimum support price – food security in India – PDS – Crop insurance.

References:

- Bilgrami, (1996) “Agricultural Economics”, Himalays publishing house, New Delhi.
- Dantwala. M.L. (1996), Indian Agricultural Development since Independence, Oxford & IBH, New Delhi.
- Joshi, P.C. (1975), “Land Reforms in India” Trends and prospects, Allied Publishers, Bombay.
- Kahlon, A.A. and Jyagi D.S. (1983), Agricultural Price Policy in India, Allied Publishers, New Delhi.

B. WELFARE ECONOMICS

Objective

The objective of this subject is to study the welfare economics concepts relevant to the present society, and it is highly useful to the economics students.

Unit – I: Introduction to Welfare Economics

Welfare economics – Introduction, Meaning and concept explanation – Three concepts of social welfare – Role of value judgments in welfare economics.

Unit – II: Market Failures and Externalities

Market failures, Externalities and public goods – Welfare maximization and perfect competition – Monopoly as an obstacle to the attainment of Pareto optimality – Externalities and Pareto optimality – Public goods and market failures – Free Rader's problem – Public goods and Pareto efficiency – Market failures and role of government – Distortions and the second best.

Unit – III: Paretian Welfare Economics

Economic efficiency and Paraeto Optimality notion of Pareto optimality and economic efficiency – Pareto criterion of social welfare – Marginal conditions of Pareto optimality – The optimum distribution of products among the consumers: Efficiency in exchange – Optimum allocation of factors – Pareto efficiency in production – Optimum direction of production: Efficiency in product mix – The second order and total conditions of Pareto optimality.

Unit – IV: Social Welfare Function

Social welfare function – Bergson – Samuelson social welfare function – Social welfare function and value judgments – Grand utility possibility frontier and point of constrained bliss – A mathematical illustration of social welfare function – A critical evaluation of Bergson – Samuelson social welfare function – Prof. Amertiya Sen's critique.

Unit – V: New Welfare Economics

New welfare economics: Compensation principle – Kaldor, Hicks welfare criterion: Compensation principle – Scitovsky's paradox – Scitovsky's double criterion of welfare – A critique of the compensation principle – Kenneth Arrow's impossibility theorem.

References:

- Nicholas, B. (Ed.) (2001), *Economic Theory and the Welfare State*, Edward Elgar Publishing Ltd., London, U.K.
- Baumol, W.J. (Ed.) (2000), *Welfare Economics*, Edward Elgar Publishing Ltd., London, U.K.
- Feldman, A.M. (1980), *Welfare Economics and Social Choice Theory*, Martinus Nijhoff, Boston.
- Baumol, W.J. (1965), *Welfare Economics and the theory of the State* (Second Edition), Longmans, London.
- Pigou, A.C. (1962), *The Economics of Welfare* (4th Edition), Macmillan Publishing House, London.
- Graaff, J. de V. (1957), *Theoretical Welfare Economics*, Cambridge University Press, Cambridge.
- Arrow, K.J. (1951), *Social Choice and Individual Values*, Yale University Press, New Haven.
- Myint, H. (1948), *Theories of Welfare Economics*, Longmans, London.
- Reder, Melvin. W. (1947), *Studies in the theory of welfare economics*, Cambridge University press, New York.
- Little, I.M.D. (1939), *A Critique of welfare Economics*, (2nd Edition), Oxford University Press, Oxford.

SEMESTER - III

PAPER – 9

PUBLIC ECONOMICS – I

Objective

The learning objectives of this paper is to impart to the students to get through understanding of the role and functions of the Government in a modern economy. To introduce to the students the nature and theories of public goods. To familiarize the students with the various aspects of the theory of public choice. To make the students aware of the recent trends in taxations and budgetary policy.

Unit – I: Principles of Public Finance

Maximum social advantage – Musgrave's view – Test of social advantage – Market failure – Imperfection – Externalities – Theory of second best.

Unit – II: Theory of Social and Private Goods

Need for the public sector – Public goods – Private goods – Merit goods – Social wants and merits wants – Kinds of public wants – Characteristics of public goods – Market supply of public goods.

Unit – III: Public choice

Pareto optimality – Private and public mechanism for allocating resources – Problem for allocating resources – Voting system – Arrow's impossibility theorem – Bergson and Samuelson social welfare function – Majority rule.

Unit – IV: Public Expenditure

Theories of public expenditure – Wagner's law – Wiseman – Peacock hypothesis – Cost benefit and social cost analysis – Structure and growth of public expenditure in centre and state – Estimation of costs – Discount rate – Program budgeting and zero based budgeting – Plan and non-plan expenditure.

Unit – V: Fiscal Policy and Taxation

Fiscal policy and stabilization – Theory of incidence – Fiscal policy and stabilization – Theory of incidence – Alternative concepts of incidence – Benefit and ability to pay approaches – Theory of optimal taxation – Modern theory of incidence – Tax reforms in India, Chelliah committee report – Kelkar committee report – VAT – CENVAT.

References:

- Meir.G.M. and Rauch (2000), Leading issues in Economic Development, OUP.
- Duff.L. (1997), Government and Market, Orient Longman, New Delhi.
- Richard.A Musgrave (1989), Public Finance in Theory and Practice McGraw Hill Book Company, New York.
- David.N and Nicholas.S (1987), The Theory of Taxation for Developing Countries.
- AEA Series Readings in Economics of Taxation (1981).
- Pogu TF and L.G. Sgontz Government and Economic Choice, An Introduction to Public Finance.
- K.J. Arrow Social Choice and Individual Value, John Willy.

PAPER – 10

RESEARCH METHODOLOGY

Objective

The objectives of this subject is to make the students to know the basic concepts and methods in research methodology. This paper helps the students to pursue further research such as M.Phil. and Ph.D. in economics.

Unit – I: Meaning and Scope of Social Science Research

Nature and significance of social science research – Researcher's approach: Problems of research in social science – Formulation of a research problems – Objectives – Hypothesis – Research design – Various methods of research – Importance of social science research.

Unit – II: Methods and Techniques of Data Collection

Data Collection: Types – Sources of data – Methods and techniques of data collection – Main steps in research – Selection of a research problems – Sampling methods – Choice of sample size, types and criteria.

Unit – III: Data Presentation and Analysis

Data analysis – Quantifying data – Coding – Editing – Tabulation – Data interpretation – Data preparation and preliminary analysis – Statistical analysis and interpretation of data – Non paramative tests – Multivariate analysis of data – Model building and decision making.

Unit – IV: Test of Hypothesis

Hypothesis testing – Chi-square test (X^2) – F-test – T-test – Analysis of variance – Partial and Multiple correlation coefficient – Regression – Partial and Multiple regression – Factor analysis – Computer aided research.

Unit – V: Reporting Writing

Reporting – Requirements and mechanics of thesis writing – Purpose of research report – Bibliography – Role of computers in report writing – Important sources of secondary data for research – General structure of the report.

References:

- Forces and Bicher, (1973), Social Research Methods, Prentics Hall Inc. New York.
- Kurien C.T., (ed.) (1973), A Guide to Research in Economics, Sangam Publishing House, New Delhi.
- Janathan Anderson, Berry H. Durston, Millicent Poole (1970), Thesis and Assignment Writing, Wiley Eastern Limited, New Delhi.
- Solitz, E. Jahoda, M. Dutsch, M. and Cook, S.W., (1966), Research Methods in Social Relations, N.Y., Holt Rinehart and Winston, New York.
- Young P (1966), Scientific Surveys and Research, Prentice Hall Publishing house, London.
- Goode W.J. and Halt P.K (1952), Methods in Social Research, Mc-Graw Hill Publications, New York.

PAPER – 11

INTERNATIONAL ECONOMICS – I

Objective

This subject is mainly concerned with the theories of international trade. It provides some basic knowledge of international economics to the students in a rigorous and comprehensive manner.

Unit – I: International Trade Equilibrium

Introduction – The production possibility curve – The community indifference curve – The offer curve – The trade indifference curve – The box diagram – The classical theory of comparative advantage – Smith's theory of absolute differences in cost's – Ricardo's theory of comparative differences in costs.

Unit – II: Theories of International Trade

Theory of comparative costs in terms of two goods and money countries – Multi-country and Multi-goods trade model – Haberler's theory of opportunity costs – Critical appraisal – Mills theory of reciprocal demand – The modern theory of factor endowments – The Hecksher-Ohlin theory.

Unit – III: Factor Intensity Reversals

Meaning – Factor intensity reversal – The effect of change in commodity prices – On real factors rewards – the Rybzynski theorem – The effect of factor endowments changes – Dynamic factors in international trade – Introduction – Changes in factor endowments – Economies of scale – Changes in tastes – Different demand conditions – Transports costs – The specific factors model.

Unit – IV: New Theories of International Trade

Introduction – The Kravis theory of availability – Linder's theory of volume of trade and demand pattern – Posner's imitation gap (or) Technology gap theory – Vernon's product cycle theory – Kenen's theory of unequal exchange – Intra-industry trade.

Unit – V: Economic Growth and International Trade

Introduction – Effects of growth on Trade – Effect of growth on terms of trade – Effects of growth on production – Trade – Welfare and terms of trade of a small country

– Effects of growth on production – Trade and welfare of a large country – Immiserising growth.

References:

- Dana, M.S. (2000), International Economics: Study, Guide and Work Book, (5th Edition), Routledge Publishers, London.
- Dunn R.M. and J.H. Mutt (2000), International Economics, Routledge, London.
- Carbough, R.J. (1999), International Economics, International Thompson Publishing, New York
- Krugman, P.R. and M. Obstfeld (1994), International Economics: Theory and Policy, Glenview, Foresman.
- Sodirston, Bo. (1991), International Economics, The Macmillan Press Ltd. London.
- Chacholiades, M. (1990), International Trade: Theory and Policy, McGraw Hill, Kogakusha, Japan.
- Jackson, J. (1989), The World Trading System, Cambridge University Press, Mass.
- Pomfert, R. (1988), Unequal Trade: The Economics of Discriminatory International Trade Policies, Blackwell Publishers, Oxford.

PAPER – 12

INDIAN ECONOMIC DEVELOPMENT AND POLICIES

Objective

This subject is highly useful for students to know contemporary Indian economic development policy issues and challenges.

Unit – I: Introduction

Economic Development and its Measurement – Sustainable development - Role of State, market and other institutions - Indicators of development – Physical Quality Life Index (PQLI) - Human Development Index (HDI) - Gender development indices – Planning in India: Objectives, Strategies and achievements, causes for the failure of five year plans.

Unit – II: Agricultural Development

New Agricultural Policy - Technological transformation in agricultural sector – Pricing of agricultural inputs and output - Terms of trade between agriculture and industry - Agricultural finance - Agricultural marketing and warehousing - Issues in food security – Policies for sustainable agricultural growth.

Unit – III: Industrial Development and Policy

Public sector enterprises: Performance, Problem of sick units in India, Debates on privatization and disinvestment – Industrial Sector Growth in India – Small scale sector – Productivity in industrial sector – Issues in labour market reforms – Approaches for employment generation.

Unit – IV: Unemployment and Poverty

Unemployment: Measurement and trends – Regional inequality in growth and convergence – Poverty: Measurements and trends – Issues in poverty measurement – Effects of Unemployment and Poverty on Indian Economy.

Unit – V: Foreign Trade

Foreign Trade of India – Structure and direction – New trade policy and exports promotional activities – FDI and related issues – India's free trade agreements – WTO and Indian Economy.

References:

- Bimal Jalan (2004), The Indian Economy, PROBLEMS AND Prospects, Penguin Books, New Delhi.
- Datt. R. (2001), Second Generation Economic Reforms in India, Deep and Deep Publications, New Delhi.
- Chakravarty, S. (1987), Development Planning: The Indian Experience, Oxford University Press, New Delhi.

ELECTIVE

PAPER – 3

A. COMPUTER APPLICATION IN ECONOMIC ANALYSIS

Objective

To make the students to know the basic concepts of computer, usage of internet and its applications in economic analysis which will be useful to the social science research scholars in general and economic research scholars in particular.

UNIT – I: Overview of Computer

Basic operating instructions – Describing the data to RATS and Eviews software packages – SPSS – Reading the data – Computing statistics – Displaying the data – Data transformations and creating new series – Graphing the data.

Unit – II: Dealing with Data and Graphics

The tools – Missing data – RATS format – Error messages – Familiarity with different data base such as PROWESS, Capital online, HBS, National Sample survey organisation reports, Census data – National Health and Family Welfare reports – Displaying graphs on the screen – Printing graphs – labelling graphs - Multiple graphs on a page.

Unit – III: Linear Regression

Annotated regression output – Extensions to linear regression; A framework – Heteroscedasticity – Serial correlation – Instrumental variables – Polynomial distributed lags – Choosing lag length information criteria – Grunfeld's investment equations.

Unit – IV: Special Models and Techniques for Economics

Vector Autogressions – Setting up a VAR – Testing lag length – Graphing an impulse response function – ARCH and related models – The standard models – Trouble about ARCH/GARCH models – EGARCH – GJR – Cross Section and Panel Data. **Unit – V: Application of Computer in Economics**

Electronic trading and marketing on line Shopping and Malls, G2G, G2B, B2C, C2G, and C2B models and their applications – Uses of SPSS package in social science research.

References:

- Kognet Solutions Inc. 'Office 2007-in simple steps', Dreamtech Press, Wiley-India, New Delhi, 2009.
- Rutkosy, Segain and Rutkosky. 'Office 2007', BPB Publishers, New Delhi, 2009.
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- Vikas Gupta, Comdex Computer Course Kit, Office 2007, Dreamtech Press, Wiley-India, 2007.
- Mansfield, MS Office, Reprint 2006, Tata McGraw-Hill, New Delhi, 2006.
- Chris Bates - Web Programming – Building Internet Applications, , Third Edition, Wiley- India, Student, Edition, New Delhi, 2006
- Rajaraman, V. (1996), Fundamentals of Computers, Prentice Hall of India, New Delhi.
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- Wood, M.B. (1983), Introduction Computer Security, Broadman Associates, Delhi.
- Techniques and Applications, Prentice Hall, Engle wood Cliffs, NJ.

B. LABOUR ECONOMICS

Objective

The main objective of this subject is to study the concepts and issues relating to labour economics and industrial relations in the contemporary economic issues.

Unit – I: Introduction

Labour Economics – Labour as a unique factor of production – Labour market – Disequilibrium between demand and supply for labour – Labour market analysis – Determinants of demand for and supply of labour – Problems of labour market – Migratory, casual, probationary consequences of new information technology.

Unit – II: Problems and Efficiency of Indian Labour

Efficiency of Indian labour and effort to improve nature, causes and measures to solve problems of unemployment – Employment policy – Problems of agricultural labour, Child labour and Female labour employment – Problems of unemployment and under employment – Remedies – Role of employment exchange – Vocational training – Manpower planning.

Unit – III: Economic Reforms and Labour Laws

Employees remuneration – Wage structure in India – Wage differentials – Theories of wages – Recent Wage Act – Recent trends in labour laws.

Unit – IV: Trade Unionism

Concept of Trade Unionism – Trade union developments in India and their present position – Industrial relations – Industrial conflicts and disputes - Preventive and remedial measures – Industrial Act 1947 and its amendments - Workers' participation in management – Collective bargaining – Adjudication and arbitration – The present state of industrial relation in India.

Unit – V: Social Security Measures

Meaning of social security – ILO and social security – Social security measures in India - Employees State Insurance Act 1948 – Employees Provident Funds Act 1952 – Public Provident Funds Act 1968 – Subsequent developments – Social security measures in Tamil Nadu.

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SEMESTER - IV

PAPER – 13

PUBLIC ECONOMICS – II

Objective

The learning objectives of this paper Indian public finance to make the students to understand the recent development of public expenditure, budgeting and public debt. This paper helps to understand the public expenditure and centre and state relationship.

Unit – I: Public Expenditure and Public Utilities

Classical and modern concepts – Causes and growth – Role of public expenditure – Public enterprises and economic development – control and regulation of prices of public enterprises – Public utilities and public enterprises.

Unit – II: Budgeting and Public Debt

Objectives – classification of public debt – Burden of public debt – Public debt management – Public Account Committee (PAC) – Techniques of budgeting – Zero base budgeting – Performance of budgeting.

Unit – III: Fiscal Policy

Objectives – Fiscal policy for stabilization and growth – alternative measures of resources mobilization and their impact on growth – Fiscal policy for full employment and economic growth – Fiscal policy in under-developed economics – Deficit financing – Balanced budget multiplier – Fiscal reforms in India.

Unit – IV: Fiscal Federalism

Fiscal federalism in India – Principle of federal finance – Fiscal federalism and centre, state financial relation – Recent finance commission and planning commission of India – Recommendations of recent finance commission.

Unit – V: Local Finance

State finance – Sources of revenue of local government – Expenditure – Public debt – Recent state finance and planning commission – Evaluation of panchayat raj institutions in India – 73rd and 74th amendment of the constitution – Role of state finance commission.

References:

- Atkinson, A.B. and J.E. Stiglitz (1980), Lectures on Public Economics, Tata McGraw Hill, New York.
- Buchanan, J.M. (1970), The Public Finances, Richard.D, Iriwi Homewood.
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PAPER – 14

MANAGERIAL ECONOMICS

Objective

Objective of this paper is to understand the relevance of economics in business management. This will enable the students to study functional areas of management such as Marketing, Capital budgeting and profit from a broader perspective.

Unit – I: Introduction

Managerial Economics – Nature and Scope – Definitions – Objectives of the firms – Managerial theories of firm – Behavioral theories of firms – Decision making analysis – Production Management – Marketing – Operations research – Significance of managerial economics.

Unit – II: Demand and Supply Analysis

Demand Analysis – Elasticity of demand – Types and significance of Elasticity of Demand - Demand forecasting – Marketing research approaches to demand forecasting – Need for forecasting – Forecasting techniques – Supply Analysis – Supply function – The Law of Supply - Elasticity of Supply.

Unit – III: Pricing Methods

Pricing objectives – Types of pricing – Transfer pricing – Full cost pricing – Odd number pricing – Peak-load pricing – Limit pricing – Cost plus pricing – Target pricing – Markup Pricing – Price leadership models – Price discounts – Pricing of multi – Product firm.

Unit – IV: Capital Budgeting

Cash inflows and outlays – Valuation of future cash flows – Net-Present value – Cost of capital – Certainty Vs Uncertainty methods of ranking alternative investments – Project appraisal – Inventory management.

Unit – V: Profit and its Measurement

Theories of profit – Measurement – Break-even analysis – Profit Policy – Planning and Forecasting – WTO and small business.

References:

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- Hirschey (2007), Economics for Managers, Thomson.
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PAPER – 15

INTERNATIONAL ECONOMICS – II

Objective

In this course students will learn about the theoretical and policy dimensions of international economic thought.

Unit – I: The Gains from Trade

Meaning – Potential and actual gain from international trade – Measurement of gains from trade – Factors determining the gains from trade – Gains from trade and income distribution – Gains from trade in the case of large and small country – Free trade superior to no trade – Restricted trade superior to no trade – Static and dynamic gains from trade.

Unit – II: Theories of Tariffs and its Effects

Meaning and types – Effects of tariffs – Tariffs and welfare – Effects of a tariffs on income distribution – The Stopler-Samuelson theorem – Non-Tariffs Barriers (NTB) – Income quotas – Dumping.

Unit – III: Balance of Payments

Meaning and components – Measuring deficit or surplus in balance of payments – Balance of trade and balance of payments – Adjustment mechanisms of balance of payments – Under gold standard – Adjustment under flexible exchange rates (Price effect) – The elasticity approach – The monetary approach.

Unit – IV: Exchange Rate Policies

Foreign trade multiplier – Determination of equilibrium exchange rate – Foreign exchange rate policy – Fixed exchange rates – Flexible exchange rates – Devaluation.

Unit – V: Foreign Aid in Economic Development

Types of foreign aid – Role of Foreign aid in Economic Development – The International Monetary Fund (IMF) – International Liquidity – The Euro Dollar Market – The World Trade Organisation (WTO) – The Asian Development Bank (ADB) – South Asian Association for Regional Cooperation (SAARC).

References:

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3. Bhagavati, J, (Ed.) (1981), International Trade Selected Readings, Cambridge University Press, Massachussets.
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5. M.L. Jhingan, "International Economics", Vrinda Publications Private Ltd., New Delhi.
6. Bo. Sodertsan, "International Economics" Macmillan Press Ltd., London.
7. M.C. Vaish, "International Economics" S. Chand and Company, Delhi.

ELECTIVE

PAPER – 4

A. ENVIRONMENTAL ECONOMICS

Objective

This paper provides the basic instruments to analyse environmental problems from the economic perspective. The students realize the optimal extraction of renewable and non-renewable resources.

Unit – I: Nature and Significance of Economics of Environment

Definition and scope of environment – Economic development and environmental problems – Renewable and non-renewable resources – Depletion of resources – Ecosystems – Loss of biodiversity – Environmental protection policies at global level – Sustainable development.

Unit – II: Agricultural Development and Environmental Problems

Technological changes in agriculture and its impacts on environment – Excess use of water, fertilizer and pesticides – Concept of natural farming – Environmental changes and causes of forest depletion and its impact – social forestry.

Unit – III: Environmental Problems on Industries

Industries and effluents – Pollutions – Depletion of ozone layer – Industries and Environmental issues – Green house effects – Environment friendly size of firm – Limits to growth theory.

Unit – IV: Environmental Valuation

Importance of environmental valuation and types – Economics of pollution – Cost-benefit analysis and environment – Types of energy – Energy production from waste – Pollution tax – Travel cost method – Hedonic pricing method – Environmental protection laws in India – Pollution control board and their functions.

Unit – V: Environmental Problems and its Effects

Population and pollution – Poverty and pollution – Housing and slums – Rural sanitation – Effects on physical quality of life – India's environmental policy.

References:

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B. Monetary Economics

Objective

Monetary economics has intensified greatly with substantial stream of evidence relating to money, Banking and Finance.

Unit – I: Money Supply

Money – Theoretical and empirical definition – Functions – Classification – Components of money supply – M1 to M3 in India – Measures of money supply – Role of commercial banks in money supply.

Unit – II: Demand for Money

Demand for money – Classical approach – New classical approach – Keynesian and post Keynesian approach – Patinkins approach – Friedman's liquidity approach – Boumol and Tobin approach – Phillips curve – Inflation – Policies to control of inflation – Hicksian model of IS-LM function.

Unit – III: Macro Economic Policies

The monetarist controversy – Monetary transmission mechanism and the channels of monetary influence – The High power money – Money multiplier process – Monetary policy and its effectiveness – Fiscal policy and its effectiveness.

Unit – IV: Banking and Non-banking Institutions

Banking sectors – Non-banking financial intermediaries role and importance – Interest rate and RBI – RBI credit control – The statutory liquidity ratio – Functions of RBI – It's role in agriculture and industrial development.

Unit – V: Money Market and Capital Market

Capital market – Importance of capital market – Stock market – Role of exchange control – Primary and secondary market – Importance of capital market – Stock market – Role and function of stock exchange – SEBI and working of capital market – Exchange rate – Problems of international liquidity – IMF and SDR scheme, floating currencies.

References:

1. RBI (2011) – Currency and Finance Reserve Bank of India bulletin – New Delhi.
2. Suraj B Gupta (2001), Monetary Economics, Institutions, Theory and Policy, S.Chand and Co. Pvt. Ltd., New Delhi.
3. Venugopal Reddy.Y (2000), Monetary and Financial Sector Reforms in India, UBS, Publishers Distributors Ltd., Chennai.
4. Gosh. B.N. and Rama Gosh (1989) Fundamental of Monetary Economics, Himalaya Publications, Bombay.
5. Johnson, H.G. and Nobay.A.R., Issues in Monetary Economics, Oxford University Press, Delhi.
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PROJECT WORK WITH VIVA-VOCE

Project work is based on the analysis of any current or contemporary economic problem. The examiners suggested by the department will evaluate the project work.