



Central University of Tamil Nadu Department of Economics

**In
Collaboration with**



MADRAS SCHOOL OF ECONOMICS

DETAILED SYLLABUS AND CURRICULUM

OF

The Integrated Master Programme in Economics

Approved by the Board of Studies in its meeting on 11th April 2016.

**Approved by the Academic Council in its meeting on
20th June 2016**

Effective from 2016-17

JUNE 2016

Central University of Tamil Nadu
Department of Economics
Course Structure
Integrated M. A. Economics
(UG part-First six semesters)

Course Code	Course Title	Credits		Total credit
		Theory	Practical/Tutorial	
Semester 1				
ECON-101	Economics core course-1: Understanding economics	4	1	5
ECON-102	Economics core course-2:Statistical Methods-I	4	1	5
ECON-103	Economics core course-3: Mathematical methods-I	4	1	5
	Ability enhancement compulsory course-:English(Communicative English)	3	-	3
	Ability enhancement compulsory course-: Environmental Studies/Science	2	-	2
Semester 2				
ECON-104	Economics core course-4: Principles of Microeconomics-I	4	1	5
ECON-105	Economics core course 5: Statistical Methods-II	4	1	5
ECON-106	Economics core course-6: Mathematical methods-II	4	1	5
	Ability enhancement compulsory course-:English(Communicative English)	3	-	3
	Ability enhancement compulsory course-:Media Information literacy (MIL)	2	-	2
Semester 3				
ECON-201	Economics core course-7 – Principles of Micro Economics II	4	1	5
ECON-202	Economics core course-8 Principles of Macroeconomics I	4	1	5
ECON-203	Economics core course-9 :Mathematical Methods-III	4	1	5
	Ability enhancement compulsory course-:Language(Tamil/Hindi/Foreign language)	3	-	3
	Ability enhancement compulsory course (Disaster Management-(DM))	2	-	2
Semester 4				
ECON-204	Economics core course-10 – Principles of Macro Economics II	4	1	5
ECON-205	Economics core course-11 – International Economics	4	1	5
ECON-206	Economics core course-12: Mathematical Economics	4	1	5

ECON-207	Skill Enhancement Course (SEC) – II: Skills on Field survey	2	-	2
	Ability enhancement compulsory course (Language Other than English-Tamil/Hindi/Foreign language)	3	-	3
	Ability enhancement compulsory course- (Anti-Corruption and Vigilance Awareness)	2	-	2
Semester 5				
ECON-301	Economics core course-13 - Indian Economy: Issues and Experiences	4	1	5
ECON-302	Economics core course-14 - Growth and Development	4	1	5
ECON-303	Skill Enhancement Course (SEC) – I: Data Analysis with computer Applications	2	-	2
ECON-304	Discipline Specific Elective (DSE) Course I -	4	1	5
ECON-305	Discipline Specific Elective (DSE) Course II -	4	1	5
Semester 6				
ECON-306	Economics core course-14 – History of Economic Thought	4	1	5
ECON-307	Economics core course-15 – Public Finance	4	1	5
ECON-308	Discipline Specific Elective (DSE) Course III -	4	1	5
ECON-309	Discipline Specific Elective (DSE) Course IV -	4	1	5
				124 Credits
Integrated M.A/M.Sc. PG Part of the course(Semester 7 to 10)				
	PG part of the course will be compatible with PG programs in Economics offered by the University. Following University regulation, students will opt for one of PG programme in economics and the courses there in for their PG Part of the course and specialization.			72 Credits
	Total			196 Credits

Discipline Specific Elective Courses #for UG part	
Group-I	Group-II
ECON-DSE-01:Economics of health and Education	ECON-DSE-06:Accounting and Financial Management
ECON-DSE-02:Economic History of India(1857-1947)	ECON-DSE-07:Comparative Development Experience
ECON-DSE-03:Introduction to Econometrics	ECON-DSE-08:Contemporary political Economy
ECON-DSE-04: Introduction to Environmental Economics	ECON-DSE-09:Economics of Finance
ECON-DSE-05: Money and financial Markets	ECON-DSE-10:Work, Labour and Development
	ECON-DSE-11: Dissertation/Project

Notes:1. Students are required to finalize his/her choices of electives from the bunch of electives offered in each semester. Department may limit the number of intakes for each electives considering infrastructure availability, in such case students with good merit will get preferences. Students are required to earn 196 credits for Integrated M.A. Economics degree.

2. # Subject specific electives for 5th semester and 6th semester will respectively be selected from Group-I and Group II.

3. Students may opt Generic Elective Course I, e Interdisciplinary elective for exposure offered by other departments like Social work/media/ education/ Mathematics/ Life science/Science etc and acquire additional credits

Syllabus revised
Integrated M.A/M.Sc Economics (UG Part)
Semester I -

ECON 101- UNDERSTANDING ECONOMICS

(5credits)

1: Exploring the Subject Matter of Economics

Scope of economics, Ten principles of Economics, Thinking like an economist, interdependence and gains from Trade. Normative Economics and Positive Economics-- Economies – free market, command and mixed, Introducing different branches of economics.

2: Role of Markets, their Functioning 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/supply together-how prices allocate resources-elasticity and its application – controls on prices –taxes and the costs of taxation-consumer, producers and the efficiency of the markets.

3: The Households

The consumption decisions . Marshallian Utility analysis, Introduction to Hicksian analysis of Indifference curve and Samuelson's Revealed preference analysis–budget constraints, consumption and income/price changes, demand for all other goods and price changes-description of preferences – the investment decision-investment alternatives for a household – desirable attributes of investments – labour supply and savings decision- choice between leisure and consumption – labour force participation – tax policy and labour supply – human capital and education- budget constraints and savings – savings and interest rate, other factors affecting savings.

4: The firm and perfect Market Structure:

Financing, controlling and managing firms-the firm's legal form, corporate finance-why corporations care about financial structure – takeover and the market for managers – making decisions – centralization and decentralization – the boundaries of the firm, behaviour of profit maximizing firms and the production process-short run costs and output decisions.

5: Introduction to Macroeconomics and National Income Accounting

The roots of macroeconomics-concerns over macroeconomic- the role of government in the macro economy – the components of the macro economy – the methodology of macroeconomics-concepts of national income-approaches to calculating national

income-nominal and real income-issues on measurement of national income, the concept of black and green income.

Readings:

1. Karl E. Case and Ray C. Fair (2002), Principles of Economics, 6th Edition, Pearson Education Asia Low Price Edition.
2. Gregory Mankiw, (2002), Principles of Economics, Thomson.
3. J.E.Stiglitz, and C.E. Walsh (2002), Principles of Economics, 3rd Edition, W.W.Norton& Company, New York.
4. R.Stone and G.Stone (1962), National income and Expenditure, Bowes and Bowes London.
5. Paul Hayne (1998), Economic Way of Thinking, Prentice Hall.

Semester-I
ECON-102: STATISTICAL METHODS- I
(5 Credits)

1. Introduction to Statistics: Basic concepts: Population, Sample, Parameter, Statistic, frequency distribution, Cumulative frequency distribution; Graphic and diagrammatic representation of data; Techniques of data collection. Sampling vs. Population, primary and secondary data, Cross section data, time series and panel data, Cross tabulation.
2. Central Tendency and Dispersion: Measures of Central tendency: Mean, Median, Mode, Geometric mean, Harmonic mean;
3. Measures of dispersion ; Range, Quartile deviation Mean deviation, Standard deviation; Skewness and Kurtosis, Measurement of Economic Inequality: Measurement of Economic Inequality – Lorenz Curve and Gini Coefficient.
4. Index Numbers: Concept, price relative, quantity relative and value relative, Laspeyer's, Paasche's and Fisher's index numbers; Family budget method; Consumer and Wholesale Price Indices in India
5. Time Series: Introduction, Components, Measurements: Secular Trend, Methods of trend determination (Freehand curve fitting, Moving averages, fitting mathematical curves), Non-linear trends, Seasonal fluctuation (monthly averages, ratio to moving averages, ratio to trend), Deseasonilization.

Essential Readings

Goon,A.M., M.K. Gupta,and B. Dasgupta, (1968) Fundamentals of Statistics, Vol I, World Press Private limited

Levin, Richard I, and David S. Rubin, (1998) Statistics for Management, Pearson

McClave, J. T., Benson, P. G., and Sincich, T., (2008) Statistics for business and economics, Pearson International Edition

T. Bradley, Essential Statistics for Economics, Business and Management, Wiley

Semester-I

ECON-103: MATHEMATICAL METHODS- I

(5 Credits)

1. Mathematical Induction

Well Ordered Principle, first and second principle of mathematical induction, divisibility of integers, Prime integers. Euclid's first and second theorem, Unique factorization theorem, Congruences, Linear Congruences

2. Complex Numbers

De-Moivre's Theorem and its applications, Exponential, Sine, Cosine and Logarithm of a complex number, Definition of a^z ($a \neq 0$), Inverse circular and Hyperbolic functions

3. Polynomials with Real Coefficients

Fundamental theorem of Classical Algebra, The n-th degree polynomial equation has exactly n-roots, Nature of roots of an equation, Statements of Descartes' rule of signs and of Sturm's Theorem and their applications, Multiple roots, Relation between roots and coefficients, Symmetric functions of roots, Transformation of equations, Reciprocal equations, Cardan's method of solving a cubic equation, Ferrari's method of solving a biquadratic equation, Binomial equation, Special roots

4. Set, mapping and algebraic structure

Basic properties of sets including De Morgan's Laws, Cartesian product of sets, Binary relation, Equivalence relation, Relation between equivalence relation and partition. Congruence of integers, Congruence Classes, Mapping: Injection, surjection, bijection, identity and inverse mappings, Binary operations: Commutative and Associative binary operations, Algebraic structure: Concept of algebraic structure, definition (only) of group, ring and field – Real numbers with usual operations as an example.

5. Group Theory and Matrices

Semigroup, Group, Abelian Group, Examples of groups from number system, root of unity, matrices, symmetries of squares, triangles etc, Groups of congruence classes, Klein's 4 group.

Determinants – definition, properties, minors and cofactors-the Laplace expansion-expansion by alien cofactors-singularity and invertibility – Addition of matrices, scalar multiplication, matrix multiplication-the transpose-the inverse of a square matrix – rank, elementary row operations , characteristic roots and eigen values, Cramer rule, Solving equation through Matrix inversion method.

Essential Readings:

S. Bernard and J.M. Child, Higher Algebra, Maxford Books

N. P. Chaudhuri, Abstract Algebra, Tata McGraw Hill

T. Sengadir, Discrete Mathematics and combinatorics, Pearson

John B. Fraleigh, A first Course in Abstract Algebra, Pearson

G. Hadley , Linear Algebra, Addison-Wesley.

1: Introduction to Microeconomics

Nature and scope of micro economics – important and limitations of micro economics- micro statics- micro dynamics – comparative statics – concept of equilibrium – static, dynamic and neutral equilibrium – Partial Vs. General equilibrium- role and limitation of price mechanisms in a free market economy – frontiers & microeconomics.

2: Consumer Behavior

Assumptions on preference ordering, indifference curve, marginal rate of substitution and convexity of Indifference Curve, budget constraint, consumers' equilibrium – interior and corner, Derivation of Demand Curves, Engel curve, composite good convention, Application: Cash subsidy versus subsidy in kind. Income and price consumption curves, Price effect - substitution effect (Hicks and Slutsky), inferior goods and Giffen goods, income effect, ordinary and compensated demand curves. Consumer surplus

3: Theory of Supply and Production:

Supply and law of supply elasticity of supply – production decision-factors of production – production function – law of variable proportion – returns to scale – economies of scale – Iso quant approach and producer's equilibrium – factor substitution, elasticity of factor substitution. Cobb-Douglas production and its important properties.

4: Theory of Cost

Cost structure-implicit cost, explicit cost, accounting cost, sunk cost, economic cost, fixed cost, variable cost, total, average and marginal cost. Determinants of Short run cost, Cost Curves, cost minimization and expansion path, Short run versus long run cost curves, cost curves and their shapes –relationship between short run and long run average total cost – elasticity of cost, economies of scope

5: Theory of Revenue and Equilibrium

What are revenues – average and marginal revenue – relation between AR and MR Curves AR, MR and elasticity- importance of revenue curves-interactions of cost and revenues conditions of equilibrium of a firm.

Readings:

1. A.Koutsoyannis (1979), Modern Micro Economics, MacMillan Press, London
2. H.R.Varian (1993), Intermediate Microeconomics a Modern Approach, 3rd Edition, Affiliated East West Press.
3. N.G.Mankiw (2009), Economics: Principles and Application Cengage Learning, Printed in India.
4. R S. Pindyck, D.L. Rubinfeld and Mehta, Microeconomics, Prentice Hall, India

Semester-II
ECON-105: Statistical Methods II

(5

Credits)

1. Probability : Random experiments, , Basics of Permutation and Combination, Concepts associated with Probability, Classical Definition of Probability, Limitations of the Classical definition, Frequency definition, Axiomatic Approach,
2. Rules of Probability: Addition and Multiplication theorem, Conditional Probability and Statistical Independence, Bayes' Rule,
3. Univariate Probability Distributions: Binomial, Poisson, Hypergeometric, Normal and Standard Normal Distribution – Mean Variance, Skewness and Kurtosis, Generating Functions and Limiting Forms: Moment Generating Functions - Limiting forms of Binomial and Poisson Distributions, importance of Normal Distribution in Statistics
4. Bivariate Analysis: Bivariate Frequency Distribution – Bivariate Data and Scatter Diagram – Joint Probability Distribution – Idea of Independence – Marginal and Conditional Distributions, covariance - measure of association - Coefficient of Simple Correlation - Properties and the method of calculation, Concept of rank correlation - Spearman's Rank Correlation
5. Sampling and Testing of Hypotheses: Random Sample; concept of sampling distribution; Concepts of testing of hypothesis and test of significance; tests of significance of proportion, mean, and variance

Essential Readings

Goon, Gupta, Dasgupta, Fundamentals of Statistics, Vol I, World Press Private limited
Earl.K. Bowen and Martin K. Starr, Basic Statistics for Business and Economics. McGraw-Hill International Student Edition
Kenney and Keeping, Mathematics of Statistics, Vol.1 (Chapters, 1, 2 and 5), Affiliated East West Press
Nagar, A,L. and R.K.Das,(1983) Basic Statistics, Oxford University Press
Allen Webster, Applied Statistics for Business and Economics, McGraw-Hill International Edition

Semester-II
ECON-106: Mathematical Methods- II

(5

Credits)

1. Functions, Limit and Continuity: Domain and range of a function, independent and dependent variables, polynomial functions and rational functions, constant functions and identity functions, one-one functions, onto function, invertible functions, composite function, Limit of a function, left handed and right handed limits, non existence of limit, theorems on limits (statements only), theorems on continuity (statements only), discontinuity, types of discontinuity.
2. Differentiations: Derivative of a function, derived function, derivability implying continuity, geometrical interpretation of a derivative, hyperbolic functions, derivatives of hyperbolic and inverse hyperbolic functions, logarithmic differentiation, derivative of implicit functions
3. Successive Differentiation: Higher order derivatives, calculation of nth derivatives, some standard results, determination of nth derivative of rational functions, the nth derivatives of the products of the powers of sines and cosines, Leibnitz's theorem: nth derivative of the product of two functions
4. Mean Value Theorems: Rolle's Theorem, Lagrange's mean value theorem, meaning of the sign of the derivative, Cauchy's mean value theorem, higher derivatives, Taylor's theorem, Maclaurin's theorem, Maclaurin's power series for a given function
5. Partial Differentiation: Function of two variables, limit of a function of two variables, continuity of a function of two variables at a point, limit of a continuous function, partial derivatives, partial derivatives of higher order, homogeneous function, Euler's theorem on homogeneous function, total differentials, differentiation of composite function and implicit function

Essential Readings

Shanti Naryaan, Differential Calculus, S. Chand & Co. Ltd.
J. Edwards, An elementary treatise on the Differential Calculus, Radha Publishing House
H. S. Dhami, Differential Calculus, New Age International
George B. Thomas and Ross L. Finny, Calculus and Analytical Geometry, Addison Wesley

1: Market Structure and Equilibrium

Market forms – perfect and Imperfect competition – equilibrium of a firm under perfect competition, monopoly, monopolistic competition, duopoly and oligopoly – importance of time element in price theory – price discrimination and measure of monopoly power-control and regulation of monopoly – Collusive price leadership – kinked demand curve long-run industry supply— constant, increasing and decreasing cost, Efficiency of competitive equilibrium, Government intervention and dead weight loss, Application – Minimum prices and price supports.

2: Pricing Methods

Mark up pricing-break even pricing – rate of return pricing – variable cost pricing – peak load pricing – going rate pricing- controlled or administered pricing – minimum support price.

3: Factor Pricing

Market for the factors of production-marginal productivity theory of pricing of factor (distribution theory)-Euler's theorem-Linkages among the factors of production – theories of wages – determination-wages and collective bargaining – wage differentials – Rent -Ricardian and modern theories of rent-scarcity-differential rent and quasi rent-interest-classical and Keynesian theories-profit-innovation, risk and uncertainty theories – the concept of nominal profit- monopoly profit.

4: Investment Analysis

Payback period – average annual rate of return, net present value, internal rate of return, price changes, risk and uncertainty-elements of social cost benefit analysis.

5: Welfare Economics

Meaning of welfare economics-economic and general welfare, problems in measuring welfare – classical welfare economics- pigovian welfare condition – Pareto's Optimality criteria – value judgement – concept of a social welfare function-compensation principle- the Kaldor-Hicks criterion.

Readings:

1. A.Koutsoyannis (1979), Microeconomics a Modern Approach, East West Press, New Delhi
2. H.R. Varian (1993), Intermediate Microeconomics, W.W Norton, New York
3. J.J Ryan (1962), Price Theory, MacMillan Press, London.
4. N.C.Ray (1998), an Introduction to Microeconomics, MacMillan Press, London
5. N.G.Mankiw (2009), Economics: Principles and Applications, Cengage Learning, Printed in India.
6. R S. Pindyck, D.L. Rubinfeld and Mehta, Microeconomics, Prentice Hall, India
7. B.D. Bernheim and M.D. Whinston, Microeconomics, McGraw-Hill International Editions

8. Ferguson and Gould, Microeconomic Theory, All India Traveler Book Sellers
9. G.S. Maddala and E. Miller, Microeconomics. McGraw-Hill International Editions

Semester-3

ECON-202: Principles of Macroeconomics I (5 Credits)

1. Nature and Scope of Macroeconomics: Distinction between Macro economics and Microeconomics, Aggregation and Macroeconomics, Goals and Instruments of Macroeconomics, Supply and Demand in Macroeconomics, Introduction to - Economic growth, GNP gap, booms, recessions, depressions, business cycles, fiscal policy, monetary policy, international economic policy, macro equilibrium, exchange rate, inflation and deflation, stagflation, supply shock and tight money, Brief history and Schools of Macroeconomics – Keynesian, Classical, New Keynesian and New Classical

2. Accounting Output and Income: The Circular Flow Explication - Measuring Output – Gross National Product - Nominal GNP, Real GNP and GNP Deflator, The Two Approaches to measure GNP - The Final Goods Approach and Income Approach, Intermediate goods and value added approach, Flow Statistics and Stock Statistics – Investment –Consumption –Capital stock, GNP, Gross Domestic product, Net National product, National Income and Disposable Income, GNP and Economic Well Being

3. Consumption and Investment: Consumption and Savings – Consumption, Income and Saving, Consumption Function, Marginal Propensity to Consume, Marginal Propensity to Save, Determinants of Consumption, Determinants of Investment, Investment Demand Curve and interest rate

4. Production and Growth: History of Economic Growth and Why Growth Matters, Importance of productivity in growth, Determinants of productivity physical capital, human capital, natural resources and technological knowledge, Economic Growth and Public Policy – importance of saving and investment, diminishing returns and catch-up effect, foreign investment, education, property rights and political stability, free trade, population control and research and development (brief illustration in the context of Indian economic reform)

5. Unemployment and Inflation: Defining and Measuring the Unemployment Rate – Counting of Unemployed – Employed, Unemployed, Labour Force, Discouraged Workers, Okun's Law, Economic Costs of High Unemployment, Types of Unemployment – Frictional Unemployment and Job Search, Structural Unemployment and Cyclical Unemployment, Voluntary versus Involuntary Unemployment, Sources of Inflexibility in wages – minimum wages, unions and collective bargaining and efficiency wages, Definition and measurement of Inflation rate – CPI and GNP Deflator, Index-number problems in measuring the cost of living, Types of Inflation – Moderate inflation, Galloping Inflation and hyperinflation, Impact of Inflation – redistribution of Income and Wealth and distortions on output and prices, Correcting economic variables from inflationary effects

Essential Readings

P Samuelson and W Nordhaus, Economics, McGraw-Hill International Editions
Lipsey and Chrystal, Economics, Oxford University Press
G, Mankiw, Economics: Principles and Applications. South Western of Cengage Learning

Semester-3
ECON-203: Mathematical Methods- III
(5 Credits)

1. The Integral: Antiderivatives, Introduction to differential equations, Sums and sigma notations, The Definite Integral, The First and Second Fundamental Theorems of Calculus, The Mean Value Theorem for integrals.
2. Techniques of Integration: Integration by substitution, trigonometric substitutions, integration by parts. Measuring Area under the Curve
3. Ordinary differential equation: Geometrical and physical consideration, Formation of differential equation by elimination of arbitrary constant, Meaning of the solution of ordinary differential equation, Concept of linear and non-linear differential equations, Equations of first order and first degree
4. Higher order linear equations with constant coefficients: Complementary function, Particular Integral, Method of undetermined coefficients, Method of variation of parameters, Exact Equation, Euler's homogeneous equation and Reduction to an equation of constant coefficients.
5. Second order linear equations with variable coefficients: Reduction of order when one solution of the homogeneous part is known, Complete solution, Method of variation of parameters, Reduction to Normal form, Change of independent variable, Operational Factors

Introducing Difference Equation: First order and second order linear homogeneous difference equation, particular solution, General solution, Analysis of dynamics and simple examples.

Essential Readings

- D. Varberg, E. J. Purcell, S. E. Rigdon. Calculus, Prentice Hall
S.L. Ross, Differential Equations, John Wiley
H.B. Phillips, Differential Equations, John Wiley & Sons
S. G. Deo, V. Lakshmikantham & V. Raghavendra, Text Book of Ordinary Differential Equations, Tata McGraw Hill
H. S. Dhami, Integral Calculus, New Age International
B. C. Das & B. N. Mukherjee, Integral Calculus, U. N. Dhar
G. Simmons, Differential equation, Tata Mc-Graw Hill

Semester 4

ECON-204: Principles of Macroeconomics II (5 Credits)

1. The Economy in the Long Run: The classical analysis of determination of employment, income and interest rate, money and prices: quantity theory of money, classical aggregate demand and supply curve

2. The Economy in the Short Run: Simple Keynesian analysis of aggregate demand, components of aggregate demand and multiplier. Keynesian system of money, interest and income: IS-LM, fiscal and monetary policy, IS-LM model, Keynesian system of Aggregate demand and , Flexible and fixed money wage and price model, Sticky wage model and Imperfect Information Model, Phillips curve, Inflation and Unemployment trade off, short run and long run Phillips curve, Keynesian aggregate supply.

3. Balance of Payments and Exchange Rate: Economic Openness with an emphasis on Indian economy, BOP, current and capital accounts. Exchange rate concepts, Determination of exchange rate, Types of exchange rate: fixed, flexible and managed. Importance of Foreign Currency Reserves with reference to India, Domestic Adjustment, BOP Crisis and Speculative Attack, Internal and External Balance under Fixed Rate, Advantages of Flexible exchange and Fixed Rates, Foreign exchange market reform in India, Devaluation and inflation, purchasing power parity principle.

4. Theories of Consumption and Investment: Consumption - Keynes and consumption function, inter-temporal choice, life cycle and permanent income hypothesis, Investment—business fixed investment, neo-classical approach, Tobin's q , Residential investment and accelerator model of inventories.

5. Demand for Money: Demand for money: Portfolio theory of money demand, Baumol-Tobin analysis of cash management

Readings

Richard Froyen, Macroeconomics, Pearson Education.

N. Gregory Mankiw, Macroeconomics, Macmillan.

Soumyen Sikdar, Principles of Macroeconomics, Oxford University Press

R.E. Hall and D.H. Papell, Macroeconomics, WWW Norton

Rudiger Dornbusch, Stanley Fischer and Richard Startz, Macroeconomics, McGraw Hill

Rosalind Levacic and Alexander Rebmann, Macroeconomics: An Introduction to Keynesian- Neoclassical Controversies, Macmillan

Semester 4

ECON- 205: International Economics

(5 credits)

1. Comparative Advantage and International Equilibrium: Comparative advantage: Sources of comparative advantage (production and demand bias); gains from trade and decomposition, Offer curve analysis: Construction of Offer curves, international equilibrium and determination of terms of trade, stability of equilibrium: Marshall – Lerner condition
2. Ricardian Model of Trade: One factor economy: production possibility frontier, relative demand and relative supply and autarkic terms of trade, Trade in Ricardian world: determination of international terms of trade, complete specialization and gains from trade, Extensions of Ricardian model
3. Factor Endowment and trade: Definition of factor abundance, factor intensity ranking, one to one correspondence between commodity price ratio and factor price ratio (Stolper- Samuelson theorem), one to one correspondence between endowment ratio and production proportion (Rybczynski theorem), Difference in endowment ratio as source of comparative advantage, effects of trade on factor price and income distribution – factor price equalization; factor intensity reversal and factor price equalization, Empirical studies– Leontief Paradox.
4. Accounting Structure, Income Determination and Trade Balance: Balance of payment accounts; national income accounting in an open economy; monetary account; Determination of national income, multiplier analysis, the transfer problem, introduction of foreign country and repercussion effect, Effect of devaluation (with J curve effect), tariff and export subsidy on output and trade balance; Intermediate goods and non-traded goods, Internal and external balance and assignment problem with fiscal policy and exchange rate
5. Foreign Exchange Market and Asset Approach: Working of foreign exchange market, forward rate and spot rate, interest rate parity and risk premium, Mundell- Fleming model under fixed and flexible exchange rate (with perfect and imperfect capital mobility), Assignment problem with fiscal and monetary policy

Essential Readings

- Paul R. Krugman & Maurice Obstfeld: International Economics, Pearson Education
Dornbusch: Open Economy Macro Economy, Basic Books, New York
Caves Frankel & Jones: World Trade & Payments: An Introduction, Pearson Education
Feenstra. R., *Advanced International Trade: Theory and Evidence*, Princeton University Press, 2009 .
Bhagwati, J., A. Panagariya, and T. Srinivasan. *Lectures on International Trade* (2nd edition), MIT Press, 1998

Semester 4
ECON:206: Mathematical Economics
(5 Credits)

1. Simple Application of derivatives: The derivative and slope of the function, Deriving marginal functions, Differentials and Elasticity of demand, Instantaneous rate of growth, Relationship between average and marginal cost curves, first and higher order derivative test and analysis of nature of the curve, stationary and point of inflection, concavity and convexity of a function, and relative maxima and minima.
2. Unconstrained Optimization: General Structure, derivation of first order and second order conditions, envelope theorem, Applications: Profit maximization in different markets.
3. Constrained Optimization: General Structure with two independent variables, derivation of first order and second order conditions, envelope theorem. Applications: Utility maximization and derivation of demand function and some extensions of consumer behaviour including consumption-labour choice and intertemporal choice; cost minimization and derivation of factor demand function; Pareto optimality conditions without and with public goods.
4. Duality Approach: Duality in the theory of consumer behaviour: Indirect Utility Function and Roy's identity, expenditure function and its properties, derivation of Slutsky equation, Properties of cost function and Shepard's Lemma, duality between production and cost, Properties of profit function and Hotelling's Lemma, Properties of factor demand function under profit maximization, Slutsky equation for factor demands.
5. Simple application of integral calculus: Deriving total function from marginal function, Investment and capital function, Area under the curve, Consumer surplus and Producer Surplus.

Essential Readings

Alpha C. Chiang & Kevin Wainwright, Fundamental Methods of Mathematical Economics, McGraw Hill International Edition
Hoy, Livernois, McKenna, Rees and Stengos, Mathematics for Economics, 2nd Edition Prentice Hall of India, Chapters 18, 20, 21 and 22
Eugene Silberberg and Wing Suen, The Structure of Economics: A Mathematical Analysis, Irwin McGraw Hill
Knut Sydsaeter and Peter J. Hammod, Mathematics for Economic Analysis, Pearson Education

Semester 4

ECON-207: Skills on Field Survey

(Credits-2)

1. Survey methodology- Meaning, nature and scope of statistical survey, Forms of survey-Cross-sectional and longitudinal surveys, Modes of administering surveys and their relative merits and demerits- Field survey and importance of field survey.
2. Techniques of sampling- Meaning and types of sampling, Sample design & sampling error ,
3. Questionnaire construction- data collection, essentials of a questionnaire, writing questions, evaluating questions, Response rates & nonresponse error, Understanding, reading and making model questionnaires.
4. Implementing survey: Survey interviewing, alternative questionnaire delivery, and ethical issues and methods for improving the number and accuracy of responses to surveys, Post-collection processing of survey data
5. Group Projects and Field work- a survey research project, identifying research problem, constructing questionnaire and conducting a field survey.

Reading List:

Dillman, D. A. (2006). Mail and internet surveys: The tailored design method (2nd ed.). New York: John Wiley and Sons

Groves, R. M., Fowler, F. J. J., Couper, M. P., Lepkowski, J. M., Singer, E., & Tourangeau, R. (2004). Survey methodology. Hoboken, NJ: Wiley-Interscience.

Stimpson, Robert J. (2014) Handbook of Research Methods and Applications in spatially integrated Social science, Northampton: Edward Elgar

Stage, Farnes K. and Kathleen Manning(2016), Research In the College Context: Approaches and Methods, New York: Routledge

Semester 5

ECON-301:Indian Economy: Issues and Experiences Credits)

(5

1. Economic Development since Independence

Major features of the economy at independence; growth and development under different

policy regimes—goals, constraints, institutions and policy framework; an assessment of performance—sustainability and regional contrasts; structural change, savings and investment.

2. Economic crises in Post independent era and reforms: Dilemma of development: agriculture Vrs Industry, Food Crisis: Food crisis during sixties, green revolution and government intervention in food grain market with special reference to agricultural price, PDS and priority sector lending, Poverty alleviation: Public intervention for poverty alleviation, Economic crises during Eighties: external debt crisis, fiscal imbalance, balances of payment problems and inflation. , New Economic Policy and Continual reform initiatives.

3. Development Experience under Reforms - : External sector, Fiscal and Monetary sectors: Balance of payments—trend and composition; currency convertibility and exchange rate movements; exim policy and WTO related issues; portfolio investment and foreign direct investment, Growth and social sector developments, Poverty, inequality and unemployment.

4. Population and Human Development:

Demographic trends and issues; education; health and malnutrition. Development Experience

5. Contemporary development Challenges: Need for pushing reforms in Fiscal and monetary front, Tax reforms and measures; pension reforms, Trade liberalization and economic cooperation, Reviving agricultural and economic growth, public sector reforms, Sustainable development challenges, labour laws and labour markets, and infrastructure needs.

Essential Readings

Pramit Chaudhuri: The Indian Economy, Poverty and Development, Vikas Publishing House

Bhagwati and Desai: India Planning for Industrialization, Oxford University Press

Bimal Jalan: India's Economic Crisis – The Way Ahead, Oxford University Press

Sukhomoy Chakraborty: Development Planning – The Indian Experience, Oxford University Press

Raja J. Chelliah: Towards Sustainable Development – Essays in Fiscal and Financial Sector Reforms in India, Oxford University Press

C. Rangarajan: Indian economy – Essays on Money and Finance, UBS Publishers' Distributors Ltd

Uma Kapila (Edited): Indian Economy since Independence, different volumes, Academic Foundation

Economic Survey, different volumes

Semester 5

ECON-302: Growth and Development

(5 Credits)

1. Concepts and Measures of Development: Nature, Questions and Values of Development, Meanings of development – economic growth, redistribution from growth and capabilities approach to development, Objectives of development, Measures of development, Purchasing power parity and Per capita income as an index of development, difference between growth and development, human development index, Definition and Characteristics of a developing economy.
2. Theories of Economic Growth and Development: Classical growth theory, Harrod - Domar growth model, Neoclassical growth model: Solow model and endogenous growth theory: Stages of Development and Structural change: Rostow's theory; Lewis theory of development, the Big Push theory, Industrialisation, Growth and Kaldor's growth laws; Kuznets's characteristics of Growth.
3. Factors in Development Process: Land: Ownership and tenancy system – fixed rent contract and share cropping, role of agriculture in development, barriers to agricultural development and land reforms, Labour: Population and Labor force growth, casual and long term labor, permanent labor market, Capital: Role of capital accumulation in economic development. Significance of capital-output ratio, role of technology and technological progress, learning, human capital.
4. Population and Development: Concepts of Population: definitions of fertility, mortality, birthrates, death rates, fertility rate, life expectancy, infant mortality rate, youth dependency ratio, Theory of demographic transition.
5. Environment and Development: Development and Environmental – an overview, Basic Issues of development and environment - Sustainable development and environment accounting, population and resources, poverty, rural development, urban development, global environment - rain forest destruction and greenhouse gases.

Readings

- M.P. Todaro and S.C. Smith, Economic Development, Pearson.
A.P. Thirlwall, Growth and Development, Palgrave McMillan.
Ray, Debraj (1998) Development Economics, Oxford University Press, New Delhi.
G.M. Meier and J.E. Rauch, Leading Issues in Economic Development, Oxford University Press.
Y. Hayami, Development Economics Oxford University Press.
S. Fukuda-Parr and A.K. Shiva Kumar, Readings in Human Development, Oxford University Press.

Semester 5

ECON-303: Data Analysis with computer Applications

(Credits-2)

1. Importance of data in economic analysis and Policy formulation: Nature, types of and sources of data, Computer tools to search for, store, process and communicate statistical and economic data. Introduction to M.S. Office, Excel, and Power point
2. . Advanced use of spreadsheets and introduction to statistical packages
3. Analysis and description of numerical or categorical univariate data, measuring averages, and dispersion.
4. Calculation and interpretation of simple and complex indexes, of rates and of percentages, measuring Correlations and regression coefficients, testing hypothesis about population mean, difference between mean of two populations, analysis of variances
5. Graphs and elementary analysis of time series- graphs, tables and interpretation,

Reading List:

Myers, J.L., & Well, A.D., & Lorch, R.F., Jr. (2010). Research design and statistical analysis (3rd Edition). Mahwah, NJ: Erlbaum. ISBN: 978-0-8058-6431-1

Urdan, T. (2010) Statistics in Plain English, 3rd Edition. New York: Routledge Psychology Press.

Parsons J.; Oja D.; Ageloff R.; Carey P (2010) **New Perspectives on Microsoft Office Excel 2010, Comprehensive**, Course Technology (2010) First Edition

Semester 6

ECON-304: History of Economic Thought (5 Credits)

1. Nature and Importance of history of Economic Thought. Relativist and Absolute approaches to Economic Thought. Mercantilism: Views on Trade, Money and Prices, Wages and Employment. Physiocracy: Natural Order; Net product and Circulation of Wealth, Classical Political Economy. Adam Smith: Theories of Value, Distribution and Growth.
2. Classical Economics: Adam Smith: Science of wealth, Ricardian Economics: Value Analysis Theories of Trade and Distribution, Views on Machinery and Employment, Ricardo-Malthus glut controversy, J S Mill: Theory of Value, Views on Production and Distribution. Classical Stationary State with special reference to Mill's views
3. Marginalists' Thought: The Precursors of marginalism – Cournot, Thunen, Gossen – the marginalist revolution Jevons. Walras and Menger – Bohm – Bawerk, Wicksell and Fisher – the rate of interest – Wicksteed and Weiser – distribution – Marshall as a great synthesizer- Pigou: Welfare economics – Schumpeter: role of entrepreneur and innovations.
4. Keynes' Thought : JM Keynes and his contributions: A Treatise on money- The General Theory of Employment, Interest and Money
5. Economic thoughts of leading Nobel laureates-: Kenneth Arrow, von Hayek, Robert Solow, Herbert Simon, John Nash, Joseph Stiglitz, Amartya Sen
6. Indian economic Thought: Early economic ideas: Kautilya, Valluvar – Modern economic ideas: Naroji, Ranade. R.c. Dutt Gokhale, J.K.Metha and M.N.Roy – Economics ideas of Gandhi: Village, swadesi, place of machine and labour, cottage industries, trusteeship- Early approaches to planning- cooperation as a strategy – Contributions of Vakil, Gadgil and VKRV Rao – Economic thought of Dr.Ambedkar

Essential Readings

Dobb, Maurice, Theories of Value and Distribution since Adam Smith, Vibha Publishing House Pvt. Ltd., New Delhi
Sweezy, Paul M., The Theory of Capitalist Development, Denis Dobson Ltd., London,
Blaug, M., Economic Theory in Retrospect, Cambridge University Press
Eric Roll, A History of Economic Thought, Rupa & Co.
DasGupta, Ajit, A History of Indian Economic Thought, The Routledge.
Ganguli.B.N (1997) Indian Economic Thought: A Nineteenth Century Perspective. TMH. New Delhi

Semester 6
ECON-305: Public Finance

1: Role of Government

Nature and scope of public finance-Rationale for government intervention-Musgrave's three function of Government; -allocation, distribution and stabilization, – types of government intervention-production versus provision-regulation of markets – sources of public revenue –deficit financing, Market failure and public provision of Public goods, Merit goods and club goods. Pricing of public goods: vertical summation

2: Taxation

Canons of taxation, Theories of taxation-ability and benefit principles of taxation (Lindhal) – principle of maximum social advantage – taxable capacity – shifting and incidence – types of taxes-characteristics of good tax system.

3: Public Expenditure

Causes of rising public expenditure, Theories of public expenditure-wagner's Law-Peacock-wiseman's hypothesis-Samuelson theory of public goods – basics of cost benefit analysis.

4: Fiscal Decentralization

Rationale for decentralization – economic, administrative and political – assignment of taxes and expenditure between various tiers of a federal government – rationale and role of local governments.

5: Deficit Financing

Deficit financing: Concept of deficits,Need and impact of deficit Financing,- monetarist versus Keynesian views on deficit financing – pattern of deficit financing-public – debt management and implication for growth, inflation and interest rate.

Essential Readings

1. Goode, Richard (1986) Government Finance in Developing Countries, Brooking Institution Press
2. Jha.R. (1998).Modern Public Economics, Rutledge, London
3. Musgrave.R.A.and P.B Musgrave (1976), Public Finance in Theory and Practice McGraw Hill, Kogakusha, Tokyo
4. Atkinson, A.B and J.E Stiglitz (1980), Lecture on Public Economics, MH Newyork
5. Herber, B.P (1967), Modern Public Finance, Richyard D.Irwin, Homewood.
6. Bagchi, Amaresh (edited), Readings in Public Finance, Oxford University Press.

Electives (Students need to take 2 electives from each group; each has 5 credits)

Group-I

ECON-DSE-01: Economics of Health and Education

1. Role of Health and Education in Human Development:

Meaning, nature, and scope of Health economics and economics of education, Importance education and health in poverty alleviation; health and education outcomes and their relationship with macroeconomic performance.

2. Microeconomic Foundations of Health Economics:

Demand for health; uncertainty and health insurance market; alternative insurance mechanisms; market failure and rationale for public intervention; equity and inequality.

3. Evaluation of Health Programs:

Costing, cost effectiveness and cost-benefit analysis; burden of disease.

4. Education: Investment in Human Capital

Rate of return to education: private and social; quality of education; signaling or human capital; theories of discrimination; gender and caste discrimination in India.

5. Education and health Sectors in India: An Overview

Health outcomes; health systems; health financing. Literacy rates, school participation, school quality measures.

Readings:

1. William, Jack, Principles of Health Economics for Developing Countries, World 24 Bank Institute Development Studies, 1999.
2. World Development Report, Investing in Health, The World Bank, 1993.
3. Ronald G., Ehrenberg and Robert S., Smith, Modern Labor Economics: Theory and Public Policy, Addison wisley, 2005

ECON-DSE-02: Economic History of India (1857-1947)

1. Overview of Colonial economy: Why study economic history, the problems in interpreting India' past, the state of the Indian Economy on the eve of independence, Indian Economy in the mid-nineteenth century, growth of the empire and systems of land settlements in the Colonial India.
2. Transformation of the traditional village – economy during the British rule, Commercialization of agriculture – its causes and consequences, Emergence of agricultural labour as a category, movement of agricultural wages and prices during the period – problems of rural indebtedness.
3. The state of industrial development in mid-nineteenth century India, the deindustrialization thesis –its statement and validity, emergence of modern capitalist industrial enterprise in India – Textile (Jute and Cotton), Iron & Steel, Cement, Coal, Tea.
4. Infrastructure and development of education-Development of railway , port, transport and communication infrastructure, infrastructure for education and development of education.
5. Foreign capital in Colonial India – its extent and impact; foreign-trade-growth and composition; ‘guided under-development’ of India under the British rule; evolution of provincial finance, the nature and problem of public debt; Economic drain from India - form, extent and consequences.

Essential Readings:

- G. Kaushal, Economic History of India- 1757 to 1966, Kalyani Publishers, New Delhi.
Lakshmi Subramanian, “History of India 1707-1857”, Orient Blackswan, 2010, Chapter 4.
Tirthankar Roy, The Economic History of India 1857-1947, Oxford University Press, 3rd edition, 2011.
- V B Singh (ed.), Economic History of India 1857-1956. Allied Publications Private Limited, Bombay, 1965.

ECON-DSE-03: Introduction to Econometrics

1. Simple Linear Regression: Specifications of the Model, Functional forms, Assumptions, Ordinary Least Squares (OLS) Estimation, Gauss Markov Theorem and properties of OLS, Estimation of the Error Variance
2. Statistical Inference in the Linear Regression Model: Confidence Intervals for the Estimated Parameters and the Testing of Hypotheses, Coefficient of Determination, Prediction with the Simple Regression model.
3. Linear Multiple regression analysis: Estimation of parameters; goodness of fit - adjusted R²; partial regression coefficients; testing hypotheses – individual and joint significance. Omission of a relevant variable; inclusion of irrelevant variable; tests of specification errors..
4. Problems in OLS Methods: Analysis of Residuals: Heteroscedasticity and Autocorrelation, Problem of Multicollinearity-their Consequences, Detection and Remedies.
5. Introducing dummy (independent) variables- nature of dummy variables, variables with two categories and more than two categories, dummy variable trap . Introducing statistical packages for analysis of Econometrics.

Reading list:

- Gujarati and Porter, *Basic Econometrics*, Fifth Edition, McGraw Hill/Irwin, 2009.
- Greene, William H. *Econometric Analysis*. 6th Edition, Prentice Hall. 2008.
- Johnston J. and Dinardo, J. *Econometric Methods*. 4th Ed. McGraw-Hill 1997.
- Greene Ramanathan, Ramu, *Introductory Econometrics with Applications*, 5th edition, 2002, Thomson Asia Pte Ltd., Singapore.
- Stock, James H., and Mark W. Watson (2006): *Introduction to Econometrics*, Second Edition, (Addison-Wesley Series in Economics).
- Wooldridge, J., *Introductory Econometrics: A Modern Approach*, 2015, Nelson Education.
- Earl K. Bowen & Martin K. Starr, *Basic Statistics for Business and Economics*, McGraw Hill International Student Edition
- G.S. Maddala – *Introduction to Econometrics*. Wiley Publishers (Indian edition)
- Christopher Dougherty, *Introduction to Econometrics*, Oxford University Press, 3rd edition, Indian edition, 2007.

ECON-DSE-04: Introduction to Environmental Economics

1. Nature and scope of environmental Economics- - Circular flow model and environment- Sustainable development –Measurement of Sustainable Development: Green GDP -Environmental Kuznet curve Hypothesis

2. Theories of public goods: public goods, private goods, common pool resources, common property resources-Concept of Total Economic Value- Types of Externalities.Social benefit-cost analysis-Net present value, benefit-cost ratio, internal rate of return and issues related to social discount rate

3. Economic Valuation of environmental benefits –a) revealed preference method: Production function approach, defensive expenditure approach, travel cost method, Hedonic pricing method – b) stated preference approach-contingent valuation method and choice experiment.

4. Environmental policy-command and control method –market based instruments (MBIs)–Tax, subsidy, tradable rights and payment for ecosystem services. (PES)

5. India’s environmental Problems: cost of depletion and degradation of water resources, air pollution, soil erosion, deforestation and global climate change related issues –management of environment and India’s sustainable development.

Reading List:

Charles Kolstad, Intermediate Environmental Economics, Oxford University Press, 2nd edition, 2010.

Robert N. Stavins (ed.), Economics of the Environment: Selected Readings, W.W. Norton, 5th edition, 2005.

Roger Perman, Yue Ma, James McGilvray and Michael Common, Natural Resource and

Environmental Economics, Pearson Education/Addison Wesley, 3rd edition, 2003.

Maureen L. Cropper and Wallace E. Oates, 1992, —Environmental Economics: A Survey,|| Journal of Economic Literature, Volume 30:675-740. 4

Champ, Patricia et al., A Primer on Nonmarket Valuation, Springer,2003

ECON-DSE-05: Money and Financial Markets

1. Money: Concept, functions, measurement; theories of money supply determination.
2. Financial Institutions, Markets, Instruments and Financial Innovations
Role of financial markets and institutions; problem of asymmetric information – adverse selection and moral hazard; financial crises. Money and capital markets: organization, structure and reforms in India; role of financial derivatives and other innovations.
3. Interest Rates Determination; sources of interest rate differentials; theories of term structure of interest rates; interest rates in India.
4. Banking System : Balance sheet and portfolio management. Indian banking system: Changing role and structure; banking sector reforms.
5. Central Banking and Monetary Policy : Functions, balance sheet; goals, targets, indicators and instruments of monetary control; monetary management in an open economy; current monetary policy of India.

Readings

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. Mahakud, 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).

ECON-DSE-06: Accounting and Financial Management

1. Meaning and Scope of Accounting: Accounting concepts and conventions. Double entry system of accounting, Preparation of Journal, Ledger and Trial Balance
2. Balance Sheet: Distinction between capital and revenue items. Preparation of trading and profit and loss account and balance sheet
3. Cost accounting: Meaning and Scope. Distinction between cost accounting and financial accounting, Advantages of cost accounting and financial accounting. Elements of cost: material, labour, overheads, Preparation of Cost Sheet
4. Objectives and functions of Financial Management, long-term financing, cost of capital, , dividend policy, mergers and acquisitions, bankruptcy and reorganization, the globalization of finance
5. Evaluation of Investment projects: capital budgeting techniques to evaluate alternative investment projects, evaluating the sources of long term capital needs, Optimal capital structure of the firm.

Essential Readings

S.N. Maheshwari, An introduction to Accounting, Vikas Publishing

Pandey, I.M., Financial Management

Ghosh, P.K., Cost Accounting. National Publishing House, New Delhi.

Prasad, N.K., Principles and Practices of Cost Accounting, Book Syndicate

ECON-DSE-07: Comparative Development Experience

1. International comparisons of development: Differences in initial conditions of development of less developed countries and present day developed countries, Nature of development gap prevailing at present between developed and less developed countries
2. Genesis of capitalism: Different types of social organization, feudalism, pre-capitalist societies other than feudalism, capitalism in the West, development of the Third World, Industrial revolution in Great Britain - Causes – Why Great Britain became the pioneer? – Characteristics – Effects
- 3 Industrialization Experiences in 20th Century: The Great Debate in Soviet Union on the assignment of priority on development of heavy industry in the process of planned economic development, The Great Depression of the 1930's and recovery – Experiences of USA and Great Britain, Global Change, Welfare state and mixed economy, Post-War global institutions: International Monetary Fund, World Bank, United Nations Conference on Trade and Development, Trade and Strategies of Development: Infant industry, Import substitution versus export promotion in less developed countries, Illustrations from South Asia, Latin America and East Asia, Foreign Finance, Investment and Development: Private foreign direct investment and Multinational Corporations, private portfolio investment, development assistance debate
4. Evolution of New international economic order: Neo liberalism, Washington consensus, North-South Divide, Recasting of IMF and World Bank, General Agreements on Tariff and Trade (GATT) and the Dunkel Draft controversy-World Trade Organization (WTO), Economic Integration and Regional Trading Blocs, Global Polarization
5. Development policies and role of the state: Nature of Development planning, Rationale for development planning, Washington Consensus, New Consensus and the State, Some Recent Development Experiences: (i) China, (ii) Brazil (iii) India.

Essential Readings

A.P. Thirlwall, Growth and Development, Palgrave MacMillan
M.P. Todaro and S.C. Smith, Economic Development, Pearson Education
G.M. Meier and J.E. Rauch, Leading Issues in Economic Development, Oxford University Press
Sunanda Sen, Globalisation and Development, National Book Trust, India
C. Roe Goddard, Patrick Cronin and Kishore C. Dash. (ed), International Political Economy. Viva Books Private Limited. (articles by Theotonio dos Santos and Samir Amin)
Maurice Dobb, Soviet Economic Development since 1917, Routledge and Kegan Paul
A.K. Bagchi, The Political Economy of Underdevelopment, Orient Longman

ECON-DSE-08: Contemporary Political Economy

1. Approaches to Political Economy: Classical Liberalism, Marxism, Welfarism, Neo-liberalism and Gandhian approach

2. Capitalist Transformation: European Feudalism and Transition to Capitalism, Globalization: Transnational Corporations, World Trade Organization, Non-governmental Organizations (their role in development), The Changing Role of Finance in capital accumulation and corporate structure; finance and globalisation - financial liberalisation and financial crisis.

3. Issues in Development: Culture: Media and Television, Big Dams and Environmental Concerns, Military: Global Arms Industry and Arms Trade and Knowledge Systems

4. Globalization and Development Dilemmas: IT revolution and Debates on Sovereignty, Gender, Racial and Ethnic Problems and Migration

5. The Social Dimension: Globalisation and uneven development – growth, inequality and exclusion, the changing nature of job security, Sustainable issues and the road ahead.

Reading lists:

1. Michel Beaud, *A History of Capitalism, 1500-2000*, trans. by Tom Dickman and Anny Lefebvre, New York: Monthly Review Press, 2001.
2. Ash Amin (ed.), *Post-Fordism: A Reader*, Blackwell, 1994.
3. Fran Tonkiss, *Contemporary Economic Sociology: Globalisation, Production, Inequality*, Chapter 4 (Fordism and After), Routledge India 2008 reprint, 2006. 30
4. S. Hymer, "The Multinational Corporation and the Law of Uneven Development", in H. Radice (ed.) *International Firms and Modern Imperialism*, Penguin Books, 1975.
5. G. Gereffi, J. Humphrey and T. Sturgeon, 2005, —The Governance of Global Value Chains, *Review of International Political Economy*, Volume 12: 78–104.
6. Narasimha Reddy, —Economic Globalisation, Past and Present – The Challenges to Labour, in Jomo K.S. & Khoo Khay Jin (ed.) *Globalization and Its Discontents, Revisited*, Sphix -Tulika Books, 2003.
7. David Harvey, *A Brief History of Neoliberalism*, OUP, 2005.
8. Andrew Glyn, —Challenges to Capital, in *Capitalism Unleashed: Finance, Globalization and Welfare*, Oxford: Oxford University Press, (Ch. One, pp. 1-24), 2006.
9. G Dumenil and D Levy, *The Crisis of Neoliberalism*, Harvard University Press, 2011.
10. K.S. Jomo (ed.), *The Long Twentieth Century: The Great Divergence: Hegemony, Uneven Development and Global Inequality*, OUP, 2006.
11. Gary Dymksy, 2005, —Financial Globalization, Social Exclusion and Financial Crisis, *International Review of Applied Economics*, Vol. 19: 439–457.
12. E. Stockhammer, —Financialization and the Global Economy, in G. Epstein and M.H. Wolfson (ed.) *The Political Economy of Financial Crises*, Oxford University Press, 2010. [Also in Working Paper Series, No. 240, Political

- Economy Research Institute, University of Massachusetts Amherst]
13. J.P. Smith and M.P. Ward, 1989, —Women in the Labour Market and in the Family, *Journal of Economic Perspectives*, Volume 3: 9-23.
 14. Marilyn Power, 2004, —Social Provisioning as a Starting Point for Feminist Economics, *Feminist Economics*, Volume 10: 3-19.
 15. John Bellamy Foster, *Ecology against Capitalism*, Monthly Review Press, 2002
 16. Arblaster, A. (2006) 'The Rise and Decline of Western Liberalism' in Lal, D. *Reviving the Invisible Hand: The Case for Classical Liberalism in the Twentyfirst Century*. Princeton: Princeton University Press, pp. 1- 8, 17- 30, and 48- 51.
 17. Mandel, E. (1979) *An Introduction to Marxist Economic Theory*. New York: Pathfinder Press, 3rd print, pp. 3-73.
 18. Ghosh, B.N. (2007) *Gandhian Political Economy: Principles, Practice and Policy*. Ashgate Publishing Limited, pp. 21- 88.
 19. Gilpin, R. (2003) *Global Political Economy: Understanding the International Economic Order*. Hyderabad: Orient Longman, pp. 278- 304.
 20. Prasad, K. (2000) *NGOs and Social-economic Development Opportunities*. New Delhi: Deep & Deep, ch. 1, 2, 3, 5.

ECON-DSE-09: Economics of Finance

1. Corporate Finance:

Structure of corporate governance, financial instruments and financial structure; Financial statement and ratioanalysis; time value of money; investment decisions and net present value; capital budgeting-weightedaverage cost of capital and different methods; corporate restructuring: mergers, acquisitions, amalgamations,divestments-meaning, motives and strategies.

2. Financial Markets in India:

Indian Financial System in the post reform period,Money market and instruments, Capital Market, Brief history, and major reforms in primary and secondary capital market,

3. Derivatives and Markets:

Forward, future, options: types of option-put option and call option and valuation, Derivative trading and regulatory framework and Credit Rating.

4. Depositories and Custodians

The Depository System, the National Securities Depository Limited, the Central Depository Services (India) Limited, Custodians, the Stock Holding Corporation of India Limited

5. An Introduction to security Analysis

Concept of risk and return; portfolio theory, capital asset pricing model, arbitrage pricing theory; efficientmarket hypothesis-basic concepts.

Reading lists:

1. Brealey, Myers, Allen and Mohanty, *Principles of Corporate Finance*, Tata Mcgraw-Hill Company Limited
2. Pathak, I., *Indian Financial System*, Pearson Education, relevant chapters.
3. Bhole, LM and Mahakud, Jitendra., *Financial Institutions and Markets*, Tata Mcgraw-Hill Company Limited
4. Eiteman, Stonehill, Moffett and Pandey, *Multinational Business Finance*, Pearson Education

Additional Reading lists:

- One Financial Daily – The Business Line/Mint/Business Standard/Economic Times – Editorials to be read on a daily basis.

ECON-DSE-10: Work, Labour and Development

1. Introduction: Meaning of work and labour, Labour Process and Production Process, Labour Market, Definition of economic activity and need for factors in the production process, Choice of techniques

2. Supply of and Demand for Labour: Quantity of Labour: Concept of Labour Force: Determinants of Labour Force Participation - Male and Female, Economics of Child Labour, Quality of Labour: Human Capital Theory: Concept of Human Capital, Investment in Education and Health, Application of Cost Benefit Analysis to Investment in Human Capital, Human Capital – Productivity – Earnings Linkages, Migration: Rural-Urban, Rural-Rural and Urban-Urban, Theory of Labour Demand, Demand for Labour in the Short Run, Demand for Labour in the Long Run, Elasticity of Labour Demand, Technological Change and Labour Demand: Mechanisation, automation, new technology and labour, Concepts of Competitive and Non-Competitive markets

3. Labour market: Theories of Wages: The determination of Wages, Wage Structure, Components of Wages, Share of Wages, Distribution and Inequality of Income from Work, Gender, Wages, and Flexibility. Male-Female Wage Differentials, Labour Market Rigidities and Flexibilities, Critique of Neo-classical Theory of Labour Markets, Internal Labour Markets: Theory and Evidence, The Segmented Labour Markets: Theory and Evidence, Gender Race and Caste

4. Institutional influences in labour market: Impact of Unions on Productivity and Wages, Employment Security and Efficiency, The Labour Market, State and Labour Legislation, Deregulation and Labour Market Dynamics, Labour Market as Social Institution, Insider – Outsider Theory, Implicit Contract Theory, Efficiency Wage/Effort Regulation Models, Capital-Labour Relations: Taylorism, Fordism and Post-Fordism/Neo-Fordism. Pluralism, Human Relations School and Behavioural Approaches, Definition and Scope of Industrial Relations, System Approach and Class Conflict Approach, Globalisation And Labour: New International Division of Labour, Outsourcing, Flexibilisation, Intensification, Extensification, Emotional Labour, and Well-being at Work, Labour Standards and Social Clause: Implications for developing countries, Social Exclusion, Unions, Non-governmental Organisations, and Role and Functions of ILO

5. Labour markets in India: Work and Workers in India: Definition of work, Worker and Trade Unions, History, growth and development of Trade Unions and Labour Movements in India, White Collar Unions in India, Sociological Approaches to Labour Market Analysis, Employers Organisations and their role in Labour-Management Relations, The Role of State in Industrial Relations in India. Social Security and Social Protection: Concept, Components and Approaches, Right to work, Decent Work, Employment and Employability, Debate for Social Security Reforms

Essential Readings

Abraham, K.G. and R.B. Mckersie (edited), New Developments in Labour Market: Toward a New Institutional Paradigm, MIT Press

Akerlof, G.A. and J.L. Yellen (edited), Efficiency Wage Models of the Labour Market, Cambridge University Press

Ash Amin, (edited), Post-Fordism – A Reader, Blackwell, Oxford.

Anil Verma et al (edited), Employment Relations in the Growing Asian Economics, Routledge

Bagchi, A.K., (edited), New Technology and the Workers' Response, Sage Publications

Becker, G.S., Human Capital (2nd Edition), NBER Cambridge

Bowles, S.M. et al (edited), Democracy and Markets, Cambridge University Press