MA (ECONOMICS)

Syllabus and Courses of Reading for M.A. Economics I & II Year Examination

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Course 001-MICRO ECONOMICS

Unit –I Role and significance of assumption in economic models, Empirical testing of economic models. Theory of Demand: Utility analysis of demand; Indifference curves theory; Income and substitution effects: The Slutsky theorem; Compensated demand curves; The revealed preference theory.

Unit-II Theory of Production: Stages of production function; Returns to factor proportions; Return to scale; Elasticity of substitution; Technical progress and production function; Cost and Revenue Analysis (traditional and modern theories of cost). Equilibrium of the firm-marginal analysis: Optimum factor combination and product combination

Unit-III

Market Structures and Pricing Process: Equilibrium of firm and industry under perfect competition; Monopoly; bilateral monopoly; and Monopolistic competition; Excess capacity and imperfect competition: Pricing and output behaviour under oligopoly: Collusive and non-collusive models: Extensions of the oligopoly: models: Models of Bamuol, Marris and Williamson.

Unit-IV

SUGGESTED READING


Course002-MACRO ECONOMICS


Unit-II

The supply of Money and Definitions of Money Supply: Inside and outside money, the neutrality of money Equilibrium in money market. The classical and keynesion dichotomies and their resolution by patinkin’s real balance effect and through IS-LM model respectively. Keynesian and post-keynesian theories of rate of interest.

Unit-III

Growth Models: Harrod-Domar model; Neo – classical model; Golden rule of accumulation; Optimal growth turnpikes. Theories of Trade Cycles: Multiplier-Accelerator interaction model, Kaldor and Hicks’ models. Determination of General Price Level; Classical and Keynesion approaches. Theories of Inflation; Demand – pull and cost-push inflation; short and long-run phillips curve analysis; The keynesion, the monetarist and the rational expectationists analysis.

Unit-IV


SUGGESTED READINGS

Unit-I

Basics : real number system, sets and set operations, relations and functions, inverse functions; solution of linear equations in two variables, solution of quadratic equations, logarithms and exponents; exogenous and endogenous variables.

Unit - II

Fundamentals of Matrices; Determinants. Solution of a system of upto 3 equations by matrix inversion and Cramer's rule. Input- Output analysis - Static open model.

Unit-III

Differentiation-idea of limit (but not its evaluation), meaning and economic interpretations of derivative. Rules of differentiation including logarithms and exponential functions. Unconstrained optimization - single choice variable; global and local.

Unit-IV

Calculus of multivariable functions, higher order derivatives, constrained optimization with up to 2 equality constraints.

SUGGESTED READING

Chiang, Alpha C. "Fundamental Methods of Mathematical Economics" (Mcgraw Hill). - Dowling, Edward T. "Mathematics for Economists" (Schaum's Outline Series, Tata Mcgraw Hill)

Course004- ECONOMICS OF GROWTH AND DEVELOPMENT

Unit-I

Sectoral Aspects of development; Importance of agriculture and industry in economic development. Role of institutions - government and markets. Poverty - indicators and measurement.

Unit-II

Trade and development : trade as an engine of growth, two gap analysis, Prebisch, Singer and Murdal views, gains from trade and LDCs; Role of foreign Direct investment (FDI) and Multi- national corporations(MNCs) in the emerging scenario.

Unit-III

Objects and role of monetary and fiscal policies in economics development; Choice of techniques and appropriate technology; Investment Criteria; Cost benefits analysis.

Unit-IV

Techniques of planning : Plan Models in India ; Planning in a market- oriented economy; Endogenous growth; role of education research and knowledge - Explanantion of Cross country differentials in economic development and growth

SUGGESTED READING

Course005- Indian Economic Policy

Unit – 1


Unit – II


Unit – III


Unit – IV

International Trade Policies : Composition and directions of India’s foreign trade. Factors determining the balance of payment. Disequilibrium in the balance of payment. Causes, consequences and policy measure. India’s policies towards foreign capital; collaboration, export promotion and import substitution. Exchange rate policy and the convertibility of Rupee.

SUGGESTED READING


Course006- Public Finance

Unit – 1

Unit –II

Principles of Taxation: Meaning and type of taxes; requirements of a good tax structure. Approaches to taxation: micro analysis of direct and indirect taxes; individual income tax, corporation income tax, sales tax including value-added tax and expenditure tax. Incidence of taxes; nature of tax burden and principles of tax incidence. Theories and measures of tax incidence. Effects of taxes on work efforts, savings, investment, and growth. Trade-off between equity and efficiency. Taxable capacity.

Unit – III


Unit – IV


SUGGESTED READING


Course007- Money and Banking

Unit – I

Theory of Commercial and Central Banking: Money markets and capital markets; commercial banks. Theories of commercial banking; Process of credit creation; Non-bank financial intermediaries (NBFI’s); Objectives and role of central banks in economic development; The currency and credit schools; Quantitative and qualitative methods of credit-controls.

Unit – II

The Theories of Demand and Supply of Money: Theories of demand for money; Classical Keynesian and Monetarist. Theories of money supply; The ‘H’ Theory of money Supply; Money multiplier process and its determinants; Commercial banks and the money multiplier; Factors affecting ‘H’ RBI analysis of money supply; Control of the money stock; Money stock and interest rates; monetary equilibrium: money in equilibrium and Non-equilibrium states; Neutrality of money.

Unit – III
Principles of Monetary Policy: Monetary Policy: Its meaning, objectives, frame work, targets and indicators of monetary policy; Transmission mechanism of monetary policy; Restrictive Vs. accommodating monetary policy; Need and effectiveness of monetary policy; Lags in monetary policy; Role of monetary policy in developing countries; Monetary and credit planning; Monetarist and keynesian views on monetary policy.

Unit – IV


SUGGESTED READING


Course008- Research Methods in Economics

Unit - I

Introduction and History of OR, different features of operations re- search approach. Some definitions, Scientific methods in OR, Models and Modelling in OR. General methods for solving OR Models, meth-odology of OR, Basic operation research models, computer software for operations research. Linear programming, structure of LP Model, General Mathematical Model of Linear programming problem, LP model formulation of production, marketing finance, agriculture and transportation.

Unit-II

Graphical solution methods of LP problems, including Isoprofit (cost) function line approach. Some special cases : Simplex method, duality in LP programming problem and its economic interpretation, difference between primal and dual, dual simplex method.

Unit-III

Goal programming, difference between LP and GP approach, concept of goal programming, GP model formulation, Graphical solution method of GP. Modified simplex method of goal programming. Alternative simplex method for goal programming.

Unit-IV

Transportation problem, mathematical model of transportation problem, the transportation method, Methods for finding initial solutions Tests for optimality.
SUGGESTED READINGS


Course009- Computer Application in Economic Analysis

Unit I

Introduction to Computers

History and Evolution of Computers; Generations of Computers; Computer : Definition, Characteristics and Limitations; Components of a Personal Computer System; Classification of Computers and their applications; Model and Functioning of a Digital Computer, Computer Vs. Human – Being.

Unit II

Computer Fundamentals

System – Meaning and Concept; Hardware, Software and Types of Software; Operating System- Meaning and Functions; Memory – RAM and ROM; Input-Output Devices.

Unit III

Computer Codes and Programming Fundamentals: Computer Languages - Machine, Assembly and High-Level Languages; Computer Translators - Assemblers, Compilers and Interpreters; Computer Codes; BCD, EBCDIC, ASCII and Collating Sequence; Planning the Computer Program : Algorithm, Flowcharts and Computer Program.

Unit IV

Business Data Processing Concepts Data and Information: Meaning, Types, Data Storage Hierarchy; Data base Concepts; Data base Management System, Data Base Structuring Techniques, Advantages and Limitations of Database System; Information Technology in Business : Internet, Intranet, Extranet, LAN, MAN, WAN, WWW, E-Mail, Search Engines and EDI.

SUGGESTED READINGS

Course010- International Trade

Unit - I

Foreign trade multiplier with and without foreign repercussions and determination of national income and output; Relative merits and demerits of fixed and flexible exchange rate in the context of growth and development in developing countries. Forms of economic cooperation; Static and Dynamic effects of custom union and free trade areas.

Unit-II

International Monetary System and Trade Policies in India: Multilateralism and WTO; rise and fall off gold standard and Brettonwood system; Need, adequacy and determinants of international reserves; Conditionality clause of IMF; Emerging International Monetary System with special reference to Post Maastrishit developments and developing countries; Reforms of the International Monetary System, Theory of regionalism at global level – collapse of Brettonwood system. Optimum currency Areas – Theory and impact in the developed and developing countries.

Unit-III

Indian and developing countries; Functions of GATT/WTO (TRIPS,TRIMS); Recent changes in the direction and composition of trade and their implication; Rationale and impact of trade reforms since 1991 on balance of payments, employment and growth.

Unit-IV

Problems of India's International debt; Working and regulations of MNCs in India, Instrument of export promotion and recent import and export policies and agenda for future.

Course011- Financial Institutions and Market

Unit - I

Proliferation of banking and non-bank financial intermediaries- Effectiveness of monetary Policy - Credit creation and its control; Profitability and efficiency of banks. Commercial banks and Co-operative banks.

Unit-II

Development banks- Role and functions; Investment and merchant banking; Financial sector reforms in India- Definition and types of non- bank financial institutions : Their growth and impact on India's economic development, Measures taken to control their operations.

Unit-III

Role of money market and capital market : Call money market, Treasury bill market, Commercial bill market including commercial paper and certificate of deposits, Discount market- Government securities market- Market for derivation : future and options, and other derivatives : types, uses and pricing of derivation- Primary and secondary market of securities.

Unit-IV

SEBI : its impact on the working of capital market in India; IRDA and its role in financial markets - Theory of optimum currency areas - Euro- dollar and Euro-Currency markets-Their development role at international level.
SUGGESTED READINGS

(1969), Financial Structure and Development, Yale London. – Hanson, J.A. and S. Kathuria (Eds.)  
(1999), India: A Financial Sector for the Twenty-first Century, Oxford University Press, New Delhi. –  

Course012- Project Work

The student is expected to conduct an in-depth study on a topic and reveal his/her analytical and  
presentation skills. Therefore, the topic for project report should be precise. Project Report should be of  
about 8000-10000 words (about 50-60 pages), typed double space. a Project Guide is dispatched to  
students along with study material to help them in preparing the Project Report.

The Study Centre provides a supervisor (one of the Academic Counsellors for this Course) at the Study  
Centre for preparation of the Project Report. The student is expected to develop a Project Proposal in  
consultation with the supervisor allotted to him/her by the Study Centre. The Project Proposal duly  
edorsed by the supervisor is submitted to the University, for approval. Project Report submitted  
without a supervisor or without the approval of the proposal by the University will not be accepted for  
evaluation.