

**REVISED SYLLABUS FOR
UNDERGRADUATE DEGREE IN ECONOMICS
UNDER CHOICE BASED CREDIT SYSTEM (CBCS) 2015
B.A ECONOMICS**

Eco/4/CC/04 MACROECONOMICS — II Credit 6

Objectives : To explain the role of money and banking in the economy

Outcomes : At the end of the course, the learner will be able to understand fluctuations in the economy and models of economic growth

Unit —1: Money

Meaning and functions of money; High-powered money; Gresham's law; Monetary standards, metallic and paper systems; Quantity Theory of Money, Classical and Cambridge versions, Keynesian approach.

Unit — 2: Banking

Meaning, types and functions of Commercial Banks; Process of credit creation by banks; Instruments of credit control by Central Bank.

Unit — 3: Trade Cycles

Meaning, nature and characteristics of trade cycle; Hawtrey's monetary theory; Hayek's over-investment theory; Keyne's view on trade cycle- concept of accelerator; Control of trade cycles.

Unit — 4: Inflation

Meaning of Inflation, Deflation, Reflation and Stagflation; Demand-pull inflation and Cost-push inflation; Causes and effects of inflation; Measures to control inflation; Philip's. curve.

Unit— 5: Economic Growth

Meaning of economic growth and economic development; Growth Models — HarrodDomer; Instability of equilibrium; Neo-classical growth models — Solow's; Economic growth and technical progress.

Basic Reading List:

1. Ackley, G (1976), Macroeconomics, Theory and Policy, Macmillan Publishing Company NY. 6
2. Day A.C.L (1960) Outline of Monetary Economics; Oxford University Press, Oxford
3. Gupta, S.B (1994) Monetary Economics, S.Chand and Co. Delhi
4. Heijdra, B.J and F.V Ploeg (2001), Foundation of Modern Macroeconomics, Oxford University Press, Oxford
5. ,Lucas R. (1981) Studies in Business Cycle Theory, MIT Press, Cambridge
6. 'Shapiro E. (1996) Macro Economic Analysis, Galgotia Publications, New Delhi
7. Dwivedi D N (Latest edition) Macroeconomics, Tata McGraw Hill Publications.
8. Mithani D M (2014) Money, Banking, International Trade and Public Finance, Himalaya Publishing House.

Eco/6/CC/09

ENVIRONMENTAL ECONOMICS

Credit 6

Objective : The course aims to provide fundamental concepts in economics

Outcome: At the end of the course, the learners will be able to environmental linkages

Unit-1: Introduction to Environmental Economics

Economy and environment inter-linkages; Economic Efficiency Market solutions and efficiency; Problem of externalities; Public as a public good; Public goods and public bads; Tragedy of property resources.

Unit – 2: Development and Environment

Environment and Development; Environmental Kuznets's Curve; Theory of Demographic Transition; Population, Poverty and Environment; Degradation of Environment

Unit – 3: Sustainable Development and Valuation of Environment.

Meaning, Objectives and Indicators of Sustainable Development; Economics of Sustainable development; Environmental Impact Assessment; Valuation of Environmental damages and benefits - direct and indirect methods; UN Millennium Development Goals

Unit — 4: Pollution Control

Types of pollution: Air, water and noise; Optimal level of pollution; Prevention and Control of Pollution in India; Soil degradation - causes, effects and controlling measures; Main features of Water (Prevention and Control of Pollution) Act 1974 and Forest Conservation Act, 1980; Central Pollution Control Board and State Pollution Control Board.

Unit — V: Global Environmental Issues

Climate Change — Implications and Mitigation; International attempts to protect the environment - Movements, Laws, Agreements; Rio Declaration and Kyoto Protocol; World Bank and the environment - Polluter pays principle; Energy Security-concept.

Basic Reading List:

1. Singh, Katar and Shishodia, Anil (2007): Environmental Economics -Theory and Practice, Sage Publications, New Delhi.
2. Jhingan, M. L. & Sharma, C. K. (2009): Environmental Economics: Theory, Management and Policy
3. Bhattacharya, R.N. (Ed) (2001), Environmental Economics: An Indian Perspective, Oxford University Press, New Delhi.
4. Hanley, Shogren & White (2004), Environmental Economics in Theory and Practice, Macmillan India limited, Delhi.

Eco/6/CC/10

QUANTITATIVE TECHNIQUES — II

Credit 6

Objective : Introduce quantitative methods in economics analysis

Outcome: Define and understand applications of quantitative methods

Unit —1: Introduction

Meaning, uses and importance of statistics; Concept of descriptive and inferential statistics; Methods of data collection- Sampling vrs Census; Data classification- primary data and secondary data; Data presentation-Diagrammatic and graphical presentations.

Unit.- 2: Central Tendency and Dispersion

Measures of central tendency: mean, median, mode, geometric mean and harmonic mean. Measures of dispersion: range, mean deviation, standard deviation, coefficient of variation, quartile deviation, skewness and kurtosis.

Unit - 3 : Probability and distribution

Concept of probability Classical, Empirical and Modern; Basic theorems of probability addition and multiplication. Theoretical distribution - binomial, poisson and normal distribution.

Unit - 4 : Correlation and Regression

Correlations: Karl Pearson and Rank Correlation. Concept of partial and multiple correlation. Regression analysis: estimation of simple regression line by OLS, interpretation of regression coefficients, concept of coefficient of determination.

Unit : 5 Time series and Index Number

Time series analysis-Concept and components, determination of trend, seasonal and cyclical indices; Index numbers - Concept, price-relative, quantitative relative, Laspeyres', Paasche's and Fisher Indices. Problems in the construction and limitations of index numbers. Tests for ideal index number.

Basic Reading List

1. Gupta SC & Kapoor VK (Latest edition): Fundamentals of Mathematical Statistics, S Chand & Sons, New Delhi.
2. Gupta, SP (Latest edition): Statistical Methods, S Chand & Sons, New Delhi.
3. Goon, Gupta, Dasgupta (Latest edition): Fundamentals of Statistics-I, The World Press Private Ltd, Kolkata.
4. Hands, D.W. (1991) Introductory Mathematical Economics, D.C. Health.
5. Nagar, A.L. and Das R.K.,(latest edition), Basic Statistics, Oxford University Press

Eco/6/CC/1

FINANCIAL INSTITUTIONS AND MARKETS

Credit 6

Objectives : To introduce basic concepts relating to financial institutions and markets.

Outcome: Be able to understand working and performance of various segments of financial sectors

Unit- 1 : Central Bank - RBI

Functions and objectives of RBI; Instruments of Credit control — quantitative and qualitative methods — Bank rate policy, open market operations, VRR and selective methods; Development and regulatory role of RBI; Objectives and limitations of monetary policy; Measures used by the RBI to control inflation.

Unit- 2 : Money and Commercial Banking

Functions and kinds of money; components of money supply; Functions, types and objectives of commercial banks; Liabilities and assets of banks; Process of credit creation by commercial banks, purpose and limitation.

Unit – 3: Non-banking Financial Institutions

Structure of cooperative institutions and development banks in India — Their objectives, role and limitations; Definition and types of NBFIs namely LIC, Investment Companies, Mutual funds, Venture Capital and its growth and importance; Recent measures taken by the RBI to regulate their working. Unit- 4 : Financial Markets

Meaning and structure of Financial Markets — money market and capital market; Concept and functions of stock market and market for gilt-edged securities; Types of

regulated and unregulated credit markets; Recent Financial Sector Reforms in India; SEBI — functions and its impact on the working of Capital Markets in India.

Unit- 5 : Foreign Exchange Markets

Foreign exchange; Foreign exchange market; Foreign exchange rate—concept of spot exchange rates and forward exchange rates; Determination of exchange rates under fixed and flexible exchange rate regimes; Concept of hedging in the determination of exchange rates; Eurodollar market — its role and significance.

Basic Reading List:

1. Bhole, LM & Mahakud, J. (Latest Edition) Financial Institutions and Market. Tata Mc Graw Hill
2. Gupta, S.B (1995) Monetary Economics, Institutions, Theory and Policy. S.Chand & Co. New Delhi
3. Grapple J.O (1992). International Financial Markets — Elsevire, New York
4. Mithani, DM (Latest Edition) - Money, Banking, International Trade and Public Finance. Himalaya Publishing House.
5. Pathak, Bharati V. (Latest Edition). The Indian Financial System: Markets, Institutions and Services. Pearson Education.
6. Rangarajan, C (1999) Indian Economics; Essays on Money and Finance; UBS Publishers, New Delhi
7. RBI (2000), Report of the Committee on Financial Companies.

Eco/6/CC/12B

INTERNATIONAL TRADE

Credit 6

Objectives : To explain theories of trade and gains from trade and role of protection and the pattern of India's trade

Outcome : Be able to understand impacts of protection in trade and liberalization of trade measures

Unit —1: Importance of Trade and Trade Theories

Importance of the study of international trade; Inter-regional and international trade; Theories of absolute advantage, comparative advantage and opportunity cost; Heckscher-Ohlin theory of trade — its main features, assumptions and limitations

Unit — 2: Gains from Trade

Gains from Trade and their measurement; Various concept of terms of trade; Doctrine of reciprocal demand — its limitations.

Unit — 3: Tariffs and Quotas

Meaning and types of tariffs and quotas: Their impact in partial equilibrium analysis; Concept of optimum tariff; Free trade versus trade protection.

Unit — 4: Balance of Trade and Balance of Payments

Concepts and components of balance of trade and balance of payments; Equilibrium and disequilibrium in balance of payments; Consequences of disequilibrium in balance of payments; Various measures to correct deficit in the balance of payment; Relative merits and demerits of devaluation.

Unit — 5: Foreign Trade in India

Recent changes in the composition and direction of foreign trade; Causes and effects of persistent deficit in the balance of payments; Measures adopted by the government

to correct the deficit before and after 1991; Meaning of partial and full convertibility of rupee.

Basic Reading List:

1. Kennan, P.B (1994) , The International Economy, Cambridge University Press London.
2. Kindleberger, C.P. (1973) International Economics, R.D. Irwin, Home Wood.
3. Krugman, P.R. and M. Obstgeld (2009): International Economics -Theory and policy, Glenview, Foresman.
4. Patel S.J. (1995): Indian Economy Towards the 21stCentury, University Press Ltd, India.
5. Salvatore, D.L.(1997): International Economics, Prentice-Hall, Upper Saddle River.