

MAR IVANIOS COLLEGE (AUTONOMOUS)
(Affiliated to the University of Kerala)

Syllabus & Guidelines for First Degree Programme in

B A ECONOMICS (CBCS SYSTEM)

Semester I

No.	Course Code	Course Name	Course Type		Credit
1	AUEN111.1	Language Skills	LANGUAGE COURSE I	5	4
2	AUFR111.1	Communication Skills in French	ADDITIONAL LANGUAGE I	4	3
3	AUHN111.1	Prose and Grammar			
4	AUML111.1	Malayala Kavitha			
5	AUSY111.1	Syriac Poetry, Grammar and History of the Literature (Upto the Golden Age)			
6	AUTM111.1	Puzhanku Tamil (Communicative Skills in Tamil)			
7	AUEC141	Introductory Micro Economics	CORE COURSE I	6	4
8	AUEN121.1	Writings on Contemporary Issues	FOUNDATION COURSE I	4	2
9	AUHY131.1a	History of Modern India (1857-1900)	COMPLEMENTARY COURSE I	3	2
10	AUMM131.1a	Mathematics for Economics - I			
11	AUPS131.1a	Introduction to Political Science	COMPLEMENTARY COURSE II	3	2
				25	17

Semester II

No	Course Code	Course Name	Course Type		Credit
1	AUEN211.1	Reading Skills	LANGUAGE COURSE II	5	4
2	AUEN212.1	Modern English Grammar and Usage	LANGUAGE COURSE III	4	3
3	AUFR211.1	Translation and Communication in French	ADDITIONAL LANGUAGE COURSE II	4	3
	AUHN211.1	Fiction- Short Stories and Novels			
4	AUML211.1	Gadhyasahithyam			
6	AUSY211.1	Syriac Poetry, Grammar and History of the Literature (Post Golden Age)			
7	AUTM211.2	Ilakkiya Tamil			
8	AUHY231.1a	History of Modern India (1901-1920)	COMPLEMENTARY COURSE III	3	3
9	AUMM231.1a	Mathematics for Economics - II			
10	AUPS231.1a	Indian Government and Politics	COMPLEMENTARY COURSE IV	3	3
11	AUEC241	Intermediate Micro Economics	CORE COURSE II	6	4
				25	20

Semester III

No	Course Code	Course Name	Course Type		Credit
1	AUEN311.1	Writing and Presentation Skills	LANGUAGE COURSE IV	5	4
2	AUFR311.1	French Literature and Interpretation	ADDITIONAL LANGUAGE COURSE III	5	4
3	AUHN311.1	Drama, One Act Plays and Translation			
4	AUML311.1	Drishyakalasaahithyam			
5	AUSY311.1	Syriac Prose, Grammar and History of Syrian Church in India			
6	AUTM311.1	Tamilar Naagarigamum Panpaadum			
7	AUHY331.1a	History of Modern India (1921-1947)	COMPLEMENTARY COURSE III	3	3
8	AUMM331.1a	Mathematics for Economics III			
9	AUPS331.1a	Introduction to Public Administration	COMPLEMENTARY COURSE IV	3	3
10	AUEC341	Introductory Macro Economics	CORE COURSE III	5	4
11	AUEC342	Informatics for Applied Econometrics	FOUNDATION COURSE II	4	3
				25	21

Semester IV

No	Course Code	Course Name	Course Type		Credit
1	AUEN411.1	Readings in Literature	LANGUAGE COURSE V	5	4
2	AUFR411.1	French Culture and Civilization		5	4
3	AUHN411.1	Poetry, Long Poems and Culture			
4	AUML411.1	Vinimayam, Sargathmakarachana, Bashavabotham			
5	AUSY411.1	Prose, Grammar and History of the Syrian Church in India (Individual Churches)			
6	AUTM411.1	Ariviyal Tamil			
7	AUHY431.1a	History of Contemporary India (Since 1947)	COMPLEMENTARY COURSE IV	3	3
8	AUMM431.1a	Mathematics for Economics - IV			
9	AUPS431.1a	International Politics	COMPLEMENTARY COURSE IV	3	3
10	AUEC441	Mathematical Methods for Economics	CORE COURSE IV	5	4
11	AUEC442	Intermediate Macro Economics	CORE COURSE V	4	3
				25	22

Semester V

No	Course Code	Course Name	Course Type		Credit
1	AUEC541	Methodology and Perspectives of Social Science	CORE COURSE VI	4	4
2	AUEC542	Statistical Methods for Economics	CORE COURSE VII	4	4
3	AUEC543	Readings in Political Economy	CORE COURSE VIII	4	4
4	AUEC544	Economic Growth and Development	CORE COURSE IX	3	2
5	AUEC545	International Economics	CORE COURSE X	4	3
6	AUEC581	Introductory Economics	OPEN COURSE	3	2
				22	19

Semester VI

No	Course Code	Course Name	Course Type		Credit
1	AUEC641	Indian Economy	CORE COURSE XI	5	4
2	AUEC642	Banking and Finance	CORE COURSE XII	4	4
3	AUEC643	Public Economics	CORE COURSE XIII	5	4
4	AUEC644	Environment Economics and Disaster Management	CORE COURSE XIV	4	3
5	AUEC691.a	Kerala Economy	ELECTIVE COURSE	4	2
	AUEC691.b	Introductory Econometrics			
6	AUEC645	Project and Project based Viva voce	CORE COURSE XV	3	4
				25	21
TOTAL CREDITS: 120					

Core I AUEC141 Introductory Microeconomics

6 hours

4 credits

Course objective: To develop a conceptual foundation and analytical methods used in Microeconomics

Module I: Scarcity, Work and choice (15 hrs)

Labour and production – Preferences opportunity costs – The feasible set – Decision making and scarcity – Hours of work and economic growth – Income and substitution effects on hour of work and free time – Explaining our working hours: Changes overtime, Differences between countries.

(The Economy: Economics for a Changing World by CORE team, Chapter 3)

Module II: Consumer and Producer Theory (25 hrs)

Demand and Supply – Market Mechanism- Elasticities of Demand and Supply - Consumer behaviour: Consumer Preferences – Budget Constraints – Consumer choice – Revealed Preferences, Marginal Utility and Consumer Choice – Individual and Market Demand: Individual Demand - Income and Substitution Effect – Market Demand – Consumer Surplus - Production: Technology of Production – Production with one variable input – Production with Two Variable Inputs – Returns to Scale – The cost of production: Measuring Cost – Cost in the short - run and Long -run – Short Run and Long Run cost curves - Profit Maximisation and Competitive Supply

(Microeconomics Robert S. Pindyck, Daniel L. Rubinfeld & P L Mehta 7th Ed Part 2 Chapter 3,4,6,7& 8)

Module III Competitive Markets (25 hrs)

Price taking firms - Price setters and price taking firms - Competitive Equilibrium – The model of perfect competition – Perfectly Competitive Markets – Profit Maximisation- Marginal Revenue, Marginal Cost and Profit – Choosing output in the Short Run and Long Run – Competitive firms Short Run supply curve – Industry's Long Run Supply Curve

(The Economy: Economics for a Changing World by CORE team Chapter 8 and *Microeconomics* Robert S. Pindyck, Daniel L. Rubinfeld & P L Mehta 7th Ed Chapter 7)

Module IV: Market Structures (25 Hrs)

Monopoly – Average Revenue and Marginal Revenue – Monopolist's Output Decision - Monopoly Power – Price Discrimination – Monopoly Pricing Policies– Monopsony and Monopoly - Monopolistic Competition –Equilibrium in the Short Run and Long Run – Oligopoly – Equilibrium in an Oligopolistic Market – Price Competition – Price Rigidity - Cartels .

(Microeconomics Robert S. Pindyck, Daniel L. Rubinfeld & PL Mehta 7th Ed Part V Chapter 9 & 11, *Intermediate Microeconomics: A Modern Approach* Bernheim, Douglas B and Whinston, Michael D (2011) Chapters 17,18 &19)

References

Module I, & III: *The Economy: Economics for a Changing World* by CORE team

Module II & IV: Robert S. Pindyck, Daniel L. Rubinfeld & P L Mehta *Microeconomics* 7th Ed and Bernheim, Douglas B and Whinston, Michael D (2011) *Intermediate Microeconomics: A Modern Approach*

Ashok Sanjay Guha *Economics without Tears –A New Approach to Old Discipline*

Additional Readings

1. Hal R Varian: *Intermediate Microeconomics: A Modern Approach* 8th edition, W.W.Norton and Company/Affiliated east-West Press (India), 2011
2. C. Synder and W Nicholson(S-N): *Fundamentals of Microeconomics*, Cengage Learning (India), 2010, Indian Edition

Semester II

Core II AUEC241 Intermediate Microeconomics

6 hrs

4 Credits

Course Objective

The course intends to give basic understanding of Micro Economics

Module I: Markets for Factor inputs: (25 Hrs)

Competitive Factor markets – Equilibrium in factor markets – Investment, time and capital markets: Stocks vs Flows – Present Discounted value – Net Present Value criterion- How are interest rates determined

(Microeconomics / Robert S. Pindyck, Daniel L. Rubinfeld 7th Edition Part III Chapter 13 & 14)

Module II: Risk and Uncertainty (20 hrs)

Risk- Probability – Expected Value – Variability - Preferences towards Risk – Reducing Risk - The Demand for Risky Assets – Behavioural Economics.Uncertainty.

(Microeconomics / Robert S. Pindyck, Daniel L. Rubinfeld & P L Mehta7th Edition Part V Chapter 18)

Module III: Social Interactions, Property and Power (20 hrs)

Game Theory – Equilibrium in the invisible hand game – The Prisoner's dilemma – Social preferences: Altruism – Public goods, free riding and repeated interactions – Public good contributions and peer punishment – Behavioural experiments in the lab and in the field - co game – -operation, negotiation, conflicts of interest and social norms – Dividing a pie – Fair Farmers, self interested students – contribution in the ultimatum - Social interactions: Conflicts in the choice among Nash equilibrium. Institutions and power – Evaluating institutions and outcomes: Pareto Criterion – Fairness – A model of choice and conflict – Technically feasible allocations – allocations imposed by force – Economically feasible allocations and the surplus – The Pareto efficiency curve and the distribution of the surplus –

Measuring economic inequality – A policy to redistribute the surplus and raise efficiency

(The Economy: Economics for a Changing World by CORE team Chapters 4 and 5)

Module IV: General Equilibrium, Economic Efficiency and Market Failure: (25hrs)

General Equilibrium and Economic Efficiency - General Equilibrium analysis - Efficiency in exchange – Efficiency in production – Efficiency in product-mix . The Gains from trade – Market failure – Externalities – Ways to correct Market failure – Public Goods.

(Microeconomics / Robert S. Pindyck, Daniel L. Rubinfeld & PL Mehta PART IV Chapter 15 &16)

Reference

Module III: The Economy: Economics for a Changing World by CORE team

Module I, II & IV: Microeconomics / Robert S. Pindyck, Daniel L. Rubinfeld & P L Mehta 7th Ed and Bernheim, Douglas B and Whinston, Michael D (2011) Intermediate Microeconomics: A Modern Approach

Ashok Sanjay Guha *Economics without Tears – A New Approach to Old Discipline*

Additional Readings:

1. Hal R Varian: Intermediate Microeconomics: A Modern Approach 8th edition, W.W.Norton and Company/Affiliated east-West Press (India), 2010
2. C. Synder and W Nicholson(S-N): Fundamentals of Microeconomics, Cengage Learning (India), 2010, Indian Edition

Semester III

Foundation Course II AUEC342 Informatics for Applied Econometrics

4 Hours

3 Credits

Course Description

This course introduces a plethora of online resources which will help students improve their teaching-learning experience. The students will also be able to utilize these web resources to enhance their career and academics. The course also provides an exposition to econometric concepts and techniques. This is to enable the students to conduct and criticize empirical studies in economics and related fields. It covers estimation and diagnostic testing of simple regression models using computer software.

MODULE I: Role of ICT in Economics

(20 Hours)

Informatics: Meaning and Scope, Information Networks- INFLIBNET, NICNET. E-Books, Audio Books, Blogs, Podcasts, Massive Open Online Courses (MOOCs).

Module II:Nature and Scope of Econometrics

(15 Hours)

What is Econometrics? –Methodology of Econometrics –Structure of Economic data- Cross Sectional, Time Series, Pooled Cross Sectional and Panel Data- Statistical Software for social science Research.

Note : This course recommends the use of Gretl (a free software useful for econometric analysis) for practical exercises.

MODULE III: Two Variable Regression Analysis: Some Basic Ideas

(15 Hours)

The concept of Population Regression Function (PRF)- Stochastic specification of PRF- Significance of the stochastic disturbance term- The Sample Regression Function (SRF)

MODULE IV: Simple Linear Regression Model: Two Variable Cases

(20 Hours)

Estimation of model by method of ordinary least squares—Properties of estimators—Classical Linear Regression Model: The Assumptions Underlying the method of Least Squares--Gauss Markov theorem—Goodness of fit—Interval estimation—Confidence intervals for Regression—Hypothesis testing—Prediction- Computer exercises

Basic Reading List

Module I:

1. V. Rajaraman, Introduction to Information Technology, Third Edition, PHI Learning Pvt. Ltd.
2. Gammak, Hobbes and Piggot, The Book of Informatics, Cengage Learning
3. List of Web Resources provided at the end of References

Module II:

1. D.N.Gujarati and Sangeetha, Basic Econometrics, 4thEdition, McGraw Hill Publishing Company Ltd, New Delhi. Chapter 1
2. JeffreyM Wooldridge, Introductory Econometrics, 2nd Edition, chapter 1.

Module III:

1. D.N.Gujarati and Sangeetha, Basic Econometrics, 4thEdition, McGraw Hill Publishing Company Ltd, New Delhi. Chapter 2.
2. JeffreyM Wooldridge, Introductory Econometrics, 2nd Edition. Chapter 2

Module IV:

1. D.N.Gujarati and Sangeetha, Basic Econometrics, 4thEdition, McGraw Hill Publishing Company Ltd, New Delhi. Chapter 3,5& 6.
2. JeffreyM Wooldridge, Introductory Econometrics, 2nd Edition. Chapter 2.

WEB RESOURCES

E-Books	
http://www.gutenberg.org/	
https://www.pdfdrive.net/	
http://www.getfreeebooks.com/	
Audio Books	
http://www.learnoutloud.com/	
Blogs	
http://www.bloggeries.com/	
http://www.bloglisting.net/	
For Creating Blogs	www.blogspot.com
	www.wordpress.com
Podcasts	
http://podcasts.ox.ac.uk/	
http://www.bbc.co.uk/podcasts	
Wikis	

http://educationalwikis.wikispaces.com/
http://wikieducator.org/
http://wikieducator.org/India
http://en.wikibooks.org/
Videos / Video Lessons / E-Content for Learning
http://www.learnerstv.com/
http://webcast.berkeley.edu/
http://epgp.inflibnet.ac.in/
MOOCs - Massive Open On-line Courses
https://www.coursera.org/
https://www.edx.org/
http://ocw.mit.edu/

Semester III

Core III AUEC341 Introductory Macroeconomics

5 Hours

4 Credits

Course Objective

This course offers a short introduction to Macroeconomics. After introducing the multiplier and the Keynesian theory of income determination, the course further introduces the student to IS-LM analysis .

Module I-Economic Fluctuations and Unemployment (12 hrs)

Introduction to macro economics : Concepts-Growth and fluctuations-Output growth and changes in unemployment-Measuring the aggregate economy: The components of GDP-How households cope with fluctuations- Why is consumption smooth-Measuring the economy: Inflation

Reference -

The Economy: Economics for A Changing World. OUP www.core-econ.org -Chapter- 13

Module II- Banks, Money, and the Credit Market (15 hrs)

Money and wealth- Borrowing: Bringing consumption forward in time- Impatience and the diminishing marginal returns to consumption-Borrowing allows smoothing by bringing consumption to the present- Lending and storing: Smoothing and moving consumption to the future- Investing: Another way to move consumption to the future-Assets, liabilities, and net worth- Banks, money, and the central bank- The central bank, the money market, and interest rates- The business of banking and bank balance sheets-The central bank's policy rate can affect

spending- Credit market constraints: A principal-agent problem-Inequality: Lenders, borrowers, and those excluded from credit markets.

Reference:

The Economy: Economics for A Changing World. OUP www.core-econ.org -Chapter- 10

Module III Unemployment and Fiscal policy (20 hrs)

The transmission of shocks: The multiplier process- The multiplier model-Household target wealth, collateral, and consumption spending-Investment spending- The multiplier model: Including the government and net exports-Fiscal policy: How governments can dampen and amplify fluctuations- The Keynesian model of income determination, Consumption function – factors affecting consumption-Consumption and Savings-Consumption, AD, and Autonomous Spending-Saving and Investment- multiplier and economic policymaking-The government’s finances-Automatic stabilizers-Fiscal policy and the rest of the world- Aggregate demand and unemployment

References:-

1. The Economy: Economics for A Changing World. OUP www.core-econ.org -Chapter- 14
2. Rudiger Dornbusch, Stanley Fischer & Richard Startz-Macro Economics-tenth edition-Chapter-9 titled Income and Spending

Module IV MONEY, INTEREST, AND INCOME (25hrs)

The Goods Market and the IS Curve - The Money Market and the LM Curve - Equilibrium in the Goods and Money Markets -Deriving the Aggregate Demand Schedule - A Formal Treatment of the IS-LM Model . Introduction to Fiscal and monetary policy. Crowding in and crowding out . Liquidity trap. Fiscal and monetary policy multipliers

References:

1. Rudiger Dornbusch, Stanley Fischer & Richard Startz-Macro Economics-Eleventh edition McGrawHil Irwin-Chapter-10 titled Money, Interest and Prices and Chapter 11 titled Monetary and Fiscal Policy
- 2 Diulio, Eugene(2004) Schaum’s Outlines on Macroeconomics. (for problems on this module) McGrawHill

Semester IV

Core IV AUEC441 Mathematical Methods for Economics

5 Hours

4 Credits

Course Objective

The key objective of this paper is to provide the students an insight into the importance of mathematical methods in Economics and also to familiarize them with the basic mathematical techniques used in economic analysis

Module I Basic Concepts (20 Hours)

Role of mathematics in Economics- Basic mathematical techniques: Equations (Linear, Quadratic and Simultaneous), Functions (Linear, Quadratic, Polynomial, Rational, Power), Variables (Discrete, Continuous), Constants, Coefficients-Introduction to Co-ordinate Geometry, Graphs, Slopes and Intercept

Module II Matrix Algebra (25 Hours)

Meaning and types of Matrices- Matrix Operations, Addition, Subtraction and Multiplication- Properties of Matrix Multiplication- Determinants and their properties- Minors and Cofactors- Simultaneous Equations: Inverse Matrix and Cramer's Rule-Rank of a Matrix.

Module III Differential Calculus (25 Hours)

Concept of Limit- Rate of Change and the derivative. Rules of Differentiation - Higher Order Derivatives-Implicit Differentiation-Partial differentiation – Economic applications of Derivatives. Relative Extrema and Optimization. – Marginal Concepts, Marginal Cost, Marginal Utility, Marginal Revenue, Marginal Productivity- Optimising Economic Functions- Constrained optimisation with Lagrange Method- Relationship among total, marginal and average concepts

Module IV Integral Calculus (20 Hours)

Meaning and Rules of Integration – Integration by Substitution-Integration by Parts-Definite and Indefinite Integrals - Economic Applications of Integral Calculus: Total Cost, Total Revenue, Total Utility, Capital Formation. Consumer Surplus and Producer's Surplus.

References:

Module I

Chiang & Wainwright, Fundamental Methods of Mathematical Economics McGraw-Hill -Chapter 1

Dowling, E.T, Introduction to mathematical Economics, Schaum's Outline Series, McGraw Hill, New Delhi. Chapter 1 and 2

Module II

Chiang & Wainwright, Fundamental Methods of Mathematical Economics McGraw-Hill -Chapter 4 and 5

Dowling, E.T, Introduction to mathematical Economics, Schaum's Outline Series, McGraw Hill, New Delhi. Chapter 10 and 11

Module III

Chiang & Wainwright, Fundamental Methods of Mathematical Economics McGraw-Hill -Chapter 6 - 12

Dowling, E.T, Introduction to mathematical Economics, Schaum's Outline Series, McGraw Hill, New Delhi. Chapter 3 and 6

CORE-The Economy: Economics For a Changing World (Leibnizes 2.2.1, 3.1.3, 3.3.1, 7.3.1, 7.6.1), accessible at [http:// www.core-econ.org](http://www.core-econ.org)

Module IV

Chiang & Wainwright, Fundamental Methods of Mathematical Economics McGraw-Hill -Chapter 14

Dowling, E.T, Introduction to mathematical Economics, Schaum's Outline Series, McGraw Hill, New Delhi. Chapter 14 and 15

Suggested Readings

Allen, R.G.D Mathematical Analysis for Economists, AITBS Publishers, Delhi.

Chiang,A.C, Fundamentals of Mathematical Economics, McGraw Hill, New Delhi.

Hoy, Michael, John Livernois, Chris McKenna, Ray Rees and Thanasis Stengos
Mathematics for Economics, Third Edition. PHI Learning

Black. J. and J.F Bradley: Essential Mathematics for Economic, John Wiley and Sons,
New Delhi.

Semester IV

Core V AUEC442 Intermediate Macroeconomics

4 Hours

3 Credits

Course Objective:

To introduce students to the microfoundations of macroeconomics, inflation and unemployment, economic growth and fiscal and monetary policies in an open economy

Module I Introduction to Open Economy Macroeconomics (12 Hours)

The Balance of Payments and Exchange Rates - The Exchange Rate in the Long Run- Trade in Goods, Market Equilibrium, and the Balance of Trade.

References:-

1. Rudiger Dornbusch, Stanley Fischer & Richard Startz-Macro Economics-Eleventh Edition-Chapter-12 titled International Linkages

Module II- Aggregate demand and supply: Wages, Prices and Unemployment. (20Hours)

The Aggregate Supply Curve - The Aggregate Supply Curve and the Price Adjustment Mechanism - The Aggregate Demand Curve - Aggregate Demand Policy under Alternative Supply-Assumptions - Supply-Side Economics - Putting Aggregate Supply and Demand Together in the Long Run

Inflation and Unemployment - Stagflation, Expected Inflation, and the Inflation-Expectations-Augmented Phillips Curve - The Rational Expectations Revolution - The Wage-Unemployment Relationship: Why Are Wages Sticky? From Phillips Curve to the Aggregate Supply Curve - Supply Shocks

References:-

1. Rudiger Dornbusch, Stanley Fischer & Richard Startz-Macro Economics-Eleventh edition-Chapter-5 & 6

Module III Economic Growth (15 Hours)

The Solow model of growth-steady state-golden rule-convergence-Endogeneous growth

Reference:-

1. Soumyen Sikdar-Principles of macro economics-second edition-Chapter-10-pages 163-172 (upto the sub-heading Growth accounting)

Module IV Microeconomic Foundations (25 Hours)

1. Consumption and Saving

The Life-Cycle-Permanent-Income Theory of Consumption and Saving - Consumption under Uncertainty: The Modern Approach- Further Aspects of Consumption Behavior

2. Investment Spending

The Stock Demand for Capital and the Flow of Investment- Investment Subsectors—Business Fixed, Residential, and Inventory- Investment and Aggregate Supply.

3. The Demand for Money

Components of the Money Stock - The Functions of Money- The Demand for Money: Theory - Empirical Evidence - The Income Velocity of Money

References:-

1. Rudiger Dornbusch, Stanley Fischer & Richard Startz-Macro Economics- Eleventh edition- Chapter-13,14 &15

Semester V

Core VI AUEC541 Methodology and Perspectives of Social Science.

4 Hours

4 Credits

Course Objective: The course intends to familiarize the students with the broad contours of Social Sciences, specifically Economics and its methodologies, tools and analysis procedures. The course also aims to create an enthusiasm among students, incorporating various concepts and issues in economics.

MODULE I: Methodology of Social Science (10 Hours)

Social science Disciplines - Need for interdisciplinary approach - Objectivity and subjectivity in social Science - Limits to objectivity in social science. Economics as a social science subject.

MODULE II: Economic Issues and Concepts

(15 hours)

Resources and scarcity- Choice and opportunity cost- The production possibility boundary. Three key issues- what should be produced- Efficient production- Economic growth. Economic systems- Traditional systems, Command systems, Pure market systems and Mixed systems- Role of government in the modern mixed economy. Economic advice: Positive and normative economics- Economic theorizing-endogenous and exogenous variables.

(Lipsey& Chrystal (2009) Economics, Eleventh Edition, Oxford University Press, New York, Chapter 1 & 2)

Module III: Understanding the Organization of Economy

(20 hours)

Capitalism defined: Private property, markets and firms- Capitalism as an economic system- Gains from specialization- Technology, population and growth- Economic models-Basic concepts: Prices, costs and innovation rents- Industrial Revolution and incentives for new technology.

(The Economy: Economics for a changing world by CORE team Chapter 1 & 2)<http://www.core-econ.org/the-economy/book/text/0-3-contents.html>

Module IV: Major Global Economic Events

(15 Hours)

Great Depression- Golden age of high growth and low employment- stagflation and the end of golden age- Global financial crisis. The nation and the world economy- Globalisation and investment- Globalisation and migration- Trade and Growth.

(The Economy: Economics for a changing world by CORE team Chapter 17 & 18)<http://www.core-econ.org/the-economy/book/text/0-3-contents.html>

Module V: Contemporary Economic Issues

(15 hours)

Economic inequality- measuring inequality and living standards- Economics of environment-economy and environment- Innovation process: invention and diffusion- Innovation systems- Intellectual Property Rights.

(The Economy: Economics for a changing world by CORE team Chapter 17 & 18)
<http://www.core-econ.org/the-economy/book/text/0-3-contents.html>

References

Module I:

- Blaug, M (1998): The Methodology of Economics, Cambridge Surveys of Economic Literature' New York.
- Kaufmann, Felix (1958): Methodology of the Social Sciences, The Humanities press, New York.
- Hunt, Elgin F (2008): Social Science and its Methods, Social Science and Introduction to the study of Society, Allyn and Bacon.

Module II

- Lipsey & Chrystal (2009) Economics, Eleventh Edition, Oxford University Press, New York.

Module III, IV & V

- The Economy : Economics for a changing world by CORE team
<http://www.core-econ.org/the-economy/book/text/0-3-contents.html>

Semester V

Core VII AUEC542 Statistical Methods for Economics

4 Hours

4 Credits

Course Objective

The course is intended to familiarize the students with statistical tools and techniques and enable them to apply these tools in Economics.

MODULE I: Univariate Analysis, Correlation and Regression (35 Hours)

Univariate analysis – frequency tables, Measures of central tendency, dispersion, standard deviation, coefficient of variation, Lorenz Curve, Gini Concentration ratio-Geometric mean, Harmonic mean

Correlation--Simple, Partial and Multiple correlation- Scatter diagram-Karl Pearson's coefficient of correlation-Spearman's rank correlation- probable error- uses of correlation.

Simple and multiple linear regression- Method of Least Squares-Lines of regression- Regression coefficient-Relation between regression and correlation coefficients-Uses of regression in Economics.

MODULE II: Index Numbers and Time series Analysis (30 Hours)

Time series analysis-meaning-components- Measurement of trend-graphic method, semi-average method, moving average method and method of least squares.

Index numbers-Meaning and types of Index numbers – Simple and Weighted index numbers CPI and WPI- Problems in the construction of index numbers – Tests of index numbers- Fishers ideal index numbers- factor reversal test and time reversal test – Deflating – Base shifting – Splicing – Uses of Index numbers.

MODULE III: Probability (32 Hours)

Probability- Elements of probability theory (sample space, events) –definition of Probability: Classical and Modern , Relative frequency definition and Axiomatic approach – Addition theorem– multiplication theorem – Conditional Probability –

Random variable- discrete and continuous ,Expectation,Binomial and Normal distribution.

References

1. Murray R. Spiget (1999), Probability Theory Schaum's Series.
2. Lipshutz, (2000), Theory of Probability, Schaum 's Series,
3. S P Gupta,Statistical Methods,Sultan Chand and sons

Semester V

Core VIII AUEC543 Readings in Political Economy

4 Hours

4 Credits

Module I Passages from the Classics (15 hours)

Adam Smith-Division of labour, Ricardo-On Rent and Of Machinery, Marx-CMC and MCM' circuit

1. Adam Smith; Wealth of Nations, Book 1, Chapter 1 'of the division of labour'
, Chapter 3 'That the division of labour is limited by the extent of market'

<http://www.econlib.org/library/Smith/smWN1.html#B.I, Ch.1, Of the Division of Labor>

2. David Ricardo ; On the Principles of Political Economy and Taxation Chapter 2 On Rent

<http://www.econlib.org/library/Ricardo/ricP1a.html>

David Ricardo; On the Principles of Political Economy and Taxation, chapter 31 on Machinery

<http://www.econlib.org/library/Ricardo/ricP7.html#Ch.31, On Machinery>

3. Karl Marx –Capital Volume 1

Part II The Transformation of money into Capital

Chapter-4 The General formula for Capital

<https://www.marxists.org/archive/marx/works/1867-c1/ch04.htm>

Robert Heilbroner (1998) Wonderful World of Adam Smith

, Worldly Philosophers, Robert Heilbroner (1998), Updated Seventh Edition

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http://starbooksfeaa.weebly.com/uploads/5/4/8/6/54869709/the_wordly_philosophers.pdf

Module II Political Economy : Different Perspectives (20 hours)

This section introduces the student to different perspectives of political economy : the perspectives of Adam Smith , John Maynard Keynes

1. Robert Heilbroner (1998) Wonderful World of Adam Smith
, Worldly Philosophers, Robert Heilbroner (1998), Updated Seventh Edition

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http://starbooksfeaa.weebly.com/uploads/5/4/8/6/54869709/the_wordly_philosophers.pdf

2. The Rise and fall of money- The Mandarin Revolution (Great Depression and the Ideas of Keynes)

3. Glabraith, John Kenneth, 'The age of Uncertainty' Houghton Mifflin Company, Boston, 1977

http://starbooksfeaa.weebly.com/uploads/5/4/8/6/54869709/the_wordly_philosophers.pdf

The Savage Society of Thorstein Veblen

http://starbooksfeaa.weebly.com/uploads/5/4/8/6/54869709/the_wordly_philosophers.pdf

The Contradictions of Joseph Schumpeter

http://starbooksfeaa.weebly.com/uploads/5/4/8/6/54869709/the_wordly_philosophers.pdf

Module III Global Economic Crisis and its Aftermath (20 hours)

THE Recent Crisis in Global Capitalism : Towards Marxian Understanding

1. Vamsi Vakulabharanam, EPW Vol.44, Issue No.13, March, 2009

www.epw.in/system/files/pdf/2009_44/13/The_Recent_Crisis_in_Global_Capitalism_Towards_a_Marxian_Understanding.pdf

Module IV Issues in Political Economy and Development Thinking (20 hours)

Indian Development thinking, Gender equality and Women's empowerment. Social justice through affirmative action in India.

Naila Kabeer (2005) Gender equality and Women's empowerment Development

<http://nailakabeer.net/wp-content/uploads/2005/09/13552070512331332273.pdf>

Ashwini Deshpande (2012), Social Justice through Affirmative Action in India

<http://research.economics.unsw.edu.au/sc>

ho/WEE/papers/Ashwini%20Deshpande1.pdf

Semester V

Core IX AUEC544 Economic Growth and Development

3Hours

2 Credits

Course Objectives:

1. To ensure that students begin to understand basic concepts of Economic Growth and Development and thereby enable them to acquire multi dimensional aspects of developmental issues
2. To convey knowledge about theoretical framework of Growth and Development under different Schools of economic thought.
3. To impart knowledge about Political institutions, the role of the state in Economic Development and problems that affect state Governance.

MODULE I : CONCEPTIONS OF DEVELOPMENT (7 Hours)

Meaning, Definition and Scope of Economic Growth and Development, Development Gap, Alternative Measures of Development, Comparing Development Trajectories across nations and within them.

MODULE II : TOOLS FOR MEASURING DEVELOPMENT (15 Hours)

Measurement of Poverty – absolute and relative; Head-Count Index and Poverty Gap Indices Sen's Capabilities approach; Measurement of Income inequality – Kuznet's inverted U Hypothesis, Lorenz Curve, Gini Coefficient, Physical Quality Life Index, Human Development Index, Happiness Index, Gender Development Index.

MODULE III : GROWTH MODELS (20 Hours)

Classical theories of Growth, Adam Smith, David Ricardo and Karl Marx; Neo-Classical Model of R.M. Solow; Neo-Keynesian Model of Joan Robinson, Harrod Domar Model; Endogenous Growth Models and evidence on the determinants of Growth.

MODULE IV : THEORIES OF ECONOMIC GROWTH AND DEVELOPMENT (18 Hours)

Rostow's Stages of Growth, The Vicious Circle of Poverty, Nelson's Low Level Equilibrium Trap, Lewis Theory of Unlimited Supply of Labour, Nurk's Theory of Disguised Unemployment, Leibenstein's Critical Minimum Effort Thesis. The Big Push Theory, Balanced and Unbalanced Growth, Dualistic Theories.

MODULE V POLITICAL INSTITUTIONS AND FUNCTIONING OF THE STATE (5 Hours)

The determinants of democracy; alternative institutional trajectories and their relationship with economic performance; government failures and corruption.

References

Debraj Ray, Development Economics, Oxford University Press, 2009.

Todaro and Smith, Economic Development, Pearson Education, New Delhi (recent edition)

Thirwall (2006), Growth and Development with Special Reference to Developing countries, Mcmillan, New Delhi.

Subrata Ghatak (2003), Introduction to Development Economics, Routledge

Daron Acemoglu and James Robinson, (1994), Economic Origins of Dictatorship and Democracy, Cambridge University Press,

Semester V

Core X AUEC545 International Economics

4 Hours

3 Credits

Objective of the Course: To understand the basic concepts and theories of international trade and enable students to have a basic understanding of the emerging trends, issues and policies in the field of international economic system.

Module I Theories of International Trade (23 Hours)

International Economics- Subject matter- basis of trade- trade as an engine of growth- pure theory of international trade- Mercantilism and Physiocrats - Classical theory: Absolute and Comparative advantage theories- Modern theory of International trade- Heckscher Ohlin theory- Leontieff paradox.

Terms of trade- offer curve- Community indifference curve- opportunity cost (Concepts only), Gains from trade- Static and Dynamic gains- trade as an engine of growth, Foreign trade multiplier.

Module II Balance of Payments (20 Hours)

Balance of payments,- components- Accounting framework- Current Account deficit, - Disequilibrium- causes- measures to correct disequilibrium, Automatic and deliberate measures- Devaluation- Effects of devaluation- Marshall –Lerner condition- J curve effect- Absorption approach- FDI ,FII and MNC.

Module III Foreign Exchange (25 Hours)

Exchange rate determination- Mint parity theory- Purchasing power parity theory- BOP theory- exchange rate system- fixed and flexible exchange rate, Managed floating system- Nominal, Real and Effective exchange rate, Forward rate, Spot rate, Foreign exchange risks – hedging and speculation- IMF: Functions and International liquidity and Functions of World bank, ADB, and UNCTAD .

Module IV theory of Commercial Policy (22 Hours)

Commercial Policy- Free Trade vs Protection- Tariff barriers, Impact of tariff- Optimum Tariff- Non- tariff barriers- quantitative restrictions, General equilibrium analysis- Small and Large country case- Stolper Samuelson theorem- Metzler paradox, Lerner Symmetry theorem.

References:

References

1. Carbaugh, R J (2008) - International Economics, (11th Edition) Thomson South Western, New Delhi
2. Soderstein BO and Geffry Reed, (2006) International Economics, Palgrave, Mc Milan
3. Salvatore, D (2008) - International Economics, (8th Edition). Wiley India, New Delhi
4. Krugman P R and Obsfeild M (2009) - International Economics- Theory and Policy, (8th Edition) Pearson, Dorling Kindersley (India) Pvt. Ltd, New Delhi
5. Kindleberger, C P -International Economics (1973) Routledge, London
6. Appleyard D. R and Field A J (2014) -International Economics (8th Edition) McGraw Hill, New Delhi
7. Richard E Caver and Harry G Johnson, Readings in International economics
8. Grimwade Nigel (2001), International Trade, (Second Edition), Routledge, London
9. Haberler G (1961), A Survey of International Trade Theory, International Finance Section, Department of Economics, Princeton University.
10. Reinert K A (2012), An Introduction to International Economics, Cambridge university Press, New York
- .
11. Gandolfo, Giancarlo,(2016), International Finance and Open Economy Macro economics, Springer.
12. Gandolfo, Giancarlo,(2014), International Trade Theory and Policy, Springer.

Semester V

Open Course AUEC581 Introductory Economics

3 Hours

2 Credits

Objectives of the course

The purpose of this introductory economics course is to enable a student from the non economics background to gain an understanding and an appreciation of the nature and significance of economic activities, conditions, institutions and Indian economy. Economics is a course that enlightens all students, but is especially significant to those who plan to pursue careers in business.

Learning outcome of the course

It is expected that on completion of the course, a student will have a working knowledge of the economic system in which he/she is able to make his/her living. Also it will help the student to apply economic reasoning to the analysis of selected contemporary economic problems.

MODULE 1: Indian Economic History

The Pre-British Indian economy: features—British India: the economic exploitation of India, features—Independent India: features—Rationale of economic planning—Context of the new economic reform process—Features of the globalized economy.

MODULE 2: Indian Economy

Features of Indian economy—National Income: Meaning, Components of NI, Methods and Difficulties in NI Estimation, Role of CSO in India's NI estimation.

Sectoral Share: Contribution of different sectors to NI and employment—Major issues in Indian agriculture—Role of MSMEs in Indian context—Measures to promote MSMEs—Role of service sector.

Public Finance: Sources of public revenue: tax and non-tax—Type of taxes: direct, indirect, progressive, proportional, regressive and digressive, VAT, MODVAT, CENVAT, GST (basic concept alone).

Public Expenditure: Types of public expenditure, Flagship Schemes: MGNREGP, Digital India, Swachh Bharat, Skill India, Make in India, Stand-up India.

Fiscal Federalism—Nature of centre-state relationship—Finance Commission.

Budget: Concept, Significance—Union Budget.

MODULE 3: Inflation and Unemployment

Inflation: Causes and Effects—Measures to fight inflation: Monetary and Fiscal measures—Unemployment: Types—Employment generation schemes.

Reading List:

Romesh, Dutt (1906): The Economic History of India- Under Early British Rule, Vol. I & II. ed. Great Britain.

Bhattacharyya, Dhires (1989): A Concise History of Indian Economy, Prentice Hall of India Ltd.(PHI), NewDelhi.

Uma Kapila (2013): Indian Economy since Independence, Academic Foundation, NewDelhi.

Prakash, BA (2012): The Indian Economy since 1991: Economic Refprms and Performance, Pearson Education, NewDelhi.

Dutt, Ruddar and Sundaram: Indian Economy, S Chand & Company, NewDelhi.

Mishra, J K & V K Puri: Indian Economy: The Development Experience, Himalaya Publishing House, Mumbai.

Mithani, D M(1998): Modern Public Finance, first edition, Himalaya Publishing House, NewDelhi.

Hajela, T N(2010): Public Finance, third edition,Ann'sBooks, NewDelhi.

Tyagi, B P (1994): Public Finance, Jain Prakash Nath & Company, Meerut.

Semester VI
Core Course AUEC641 Indian Economy

5 Hours

4 Credits

INDIAN ECONOMY

Inst.Hours -4

Number of credit-4

Course Objective

The course intends to provide an understanding about growth process in Indian economy, sectoral aspects of the economy by focusing agriculture, industry and service sectors, relations of India with external sector and economic reforms.

Module 1: Growth process in Indian Economy

25 hrs

Indian economy since independence: Growth trends- National Income, Savings & investments, Demographic features – demographic transition and India, optimum population, health indicators, literacy status, demographic dividend, Urbanization – trends and issues, rural urban migration, Poverty –poverty line, rural & urban poverty, measures and programs. Inequality – features, various indices-Employment and Unemployment – trends, types, measures and programs, inflation – trends, reasons and measures.

Module 2: Agriculture and Industry since independence

20hrs

Agriculture sector – land use and cropping pattern-Strategies relating to technologies and institutions: food security, land relations and land reforms, agriculture credit, modern farm inputs and marketing - price policy and subsidies; commercialisation and diversification, New Agriculture policy.

Industry - Strategy of industrial development - Core industries -growth of MSMEs- sources of industrial finances (banks, share market, insurance companies, pension funds, non-banking sources, MUDRA loan)-labour market-formal and informal- labour laws in India

Module 3: Service Sector and international trade

20hrs

Services sector - Importance and composition, banking, insurance, transport and communication, education and health, public administration and defence, e-commerce-performance of public sector enterprises

India's foreign trade – volume, direction and composition- balance of payments-exchange rate management- Role of international oil and gold prices in Indian economy

Module 4: Indian Economic Reforms since 1991

15hrs

Fiscal, financial and external sector reforms-Agriculture and industrial sector reforms- planning and economic growth-shifts in planning approach- NITI Ayog- Global financial crisis and Indian economy-Impacts of GST and demonetization- Impact of Digital economy

References

Module1

Jean Dreze and Amartya Sen, 2013, India: An Uncertain Glory, Oxford University Press

Pulapre Balakrishnan, 2007, “The Recovery of India: Economic Growth in the Nehru Era”, Economic and Political Weekly, November

Arvind Subramanian, 2012, “Growth Experience” in K Basu and A Maertens, The New Oxford Companion to Economics, Oxford University Press.

Nilanjan Banik, “The Indian Economy: A Macroeconomic Perspective”, Sage Publications

Chetan Ghate, The Oxford Handbook of Indian Economy”, Oxford University Press

Mihir Rakshit(2011)Inflation and Relative Prices in India 2006-10: Some Analytical and Policy IssuesEconomic & Political Weekly EPW april 16, 2011 vol xlvi no 16

Vinoj Abraham (2017)Stagnant Employment Growth Last Three Years May Have Been the WorstVo.52, Issue No.38,23 Sep 2017, EPW

Module 2

Hanumantha Rao, Bhattacharya & Siddarthan, ed.(2005)Indian Economy and society in the Era of Globalisation and liberalisation

Chandrasekhar Rao and Mahendra Dev, 2010, Agricultural Price Policy, Farm Profitability and Food Security, EPW, June 26

Jeemol Unni (2015) Employment and Industrial Development in India , in C P Chandrasekhar(ed) Economics Vol 1. Indian Industrialisation

Jayati Ghosh (2008) The Indian Economy 1970-2003 pp1027-1045 Dharma Kumar(ed) The Cambridge Economic History of India with a new introduction by in Sabyasachi Bhattacharya. Orient Blackswan

Vaidyanathan (2008) The Indian Economy since independence pp945-994 Dharma Kumar(ed) The Cambridge Economic History of India with a new introduction by in Sabyasachi Bhattacharya, Orient Blackswan

Module 3

Rupa Chanda, 2012, Services Led Growth in New Oxford Companion to Economics

K Kanagasabapathy, Vishakha G Tilak, and R Krishnaswamy, 2013, A Rethink on India's Foreign Trade Policy, EPW August 3.

Biswajit Dhar 2015, India's New Foreign Trade Policy, EPW, May 24.

Jean Dreze and Amartya Sen, 2013, India: An Uncertain Glory, Oxford University Press

Nilanjan Banik, "The Indian Economy: A Macroeconomic Perspective", Sage Publications.-

J.B.J. Tilak (2014) Private Higher Education in India, Vol.49, Issue No.40, 04 Oct, 2014, EPW

Module 4

25 Years Of Economic Liberalisation, Vol. 52, Issue No. 2, 14 Jan, 2017, EPW

Nagaraj, R(2013) Understanding the Boom and Its Aftermath: India's Dream Run Vol. 48, Issue No. 20, 18 May, 2013 <http://www.epw.in/journal/2013/20/special-articles/indias-dream-run-2003-08.html>

Mihir Rakshit (2018) Some Analytics of Demonetisation, MARCH 31, 2018 No.13 EPW

Kaushik Basu and Annemie Maertens(2010)The Concise Oxford Companion to Economics in India, Oxford

Mihir Rakshit (2011) Macro economics of Post-reform India, OUP

<https://cleartax.in/s/gst-analysis-and-opinions>

Atul Sood (2017) The New Moral Economy- Demonetisation, Digitalisation and India's Core Economic Problems, Vo.52, Issue No.1, 07, Jan 2017, EPW
Economic Survey, GOI, various years

www.mospi.nic.in

www.censusindia.gov.in

www.core-econ.org/

Semester VI

Core Course XII AUEC642 Banking and Finance

4 Hours

4 Credits

Course Objective

The course intends to familiarize the students with the basic concepts in Banking and Finance and develop a comprehensive knowledge on the role of banks in the operation of an economy. It also enables them to know the operation of the Indian Financial System and activities in the financial markets.

Module 1: Nature and role of Financial System (20 Hrs)

Structure of Financial system - Financial institutions, Financial markets, Financial instruments and Financial services. Financial system and economic development. Indicators of financial development. Cautionary view of financial system in development-reasons.

Module 2: Banking System, Supply of Money, AND THE CONDUCT OF MONETARY POLICY (25hrs).

Definition and functions of money; measures of money supply (monetary Aggregates). money creation by the banking system. Targets of monetary policy. Instruments of monetary policy-deficit financing. Financial Sector Reform: Changes in Fiscal and Monetary Policy in India. Foreign capital inflow, money supply, and Sterilization in India. An introduction to new monetary Aggregates.

Indian Banking System: Changing role and structure; banking sector reforms-Narasimham committee report I and II and Basel norms- Capital Adequacy Ratio (concept only)

Module 3- Money market (25 hrs)

Meaning of Money market – Constituents of Money market – Call money market – Collateral Loan market, Acceptance market, Bill market – Institutions of Money market – Central Banks, Commercial Banks, Acceptance houses, Non-banking financial intermediaries – mutual funds-Features of Indian Money market.

Module 4: Capital Market (30hrs)

Meaning and function – Components of Capital market – Important Financial Instruments – Equity shares, Preference shares, Debentures/Bonds – The Primary market – Methods of Public Issue – IPO – Demat – Stock Exchanges – Meaning and functions – BSE and NSE – Stock Indices in India – SENSEX and Nifty – DIIs and FIIs – SEBI-Functions. NSDL, CSDL.

CAPM :- The capital asset pricing model; use of the CAPM model in investment analysis and as a pricing formula. Options and Derivatives-swaps-futures-forward

References:

MODULE :1

1. L. M. Bhole and J. Mahukud, Financial Institutions and Markets, Tata McGraw Hill, 5th edition, 2011. chapter -1 pp (3-29)

MODULE : 2

1. SoumyenSikdar : Principles of Macroeconomics (second edition), Oxford University Press New Delhi.2011 , Chapter 6 . pp - (88-101)

2. New monetary Aggregates: An introduction.

<https://www.rbi.org.in/scripts/publicationReportDetails.aspx?ID>

3. M. Y. Khan, Indian Financial System, Tata McGraw Hill, 7th edition, 2011. Chapter-1

3. F. J. Fabozzi, F. Modigliani, F. J. Jones, M. G. Ferri, Foundations of Financial Markets and Institutions, Pearson Education, 3rd edition, 2009. Chapter-1 pp 1-6, Chapter-2 pp 21-27

MODULE: 3

1. L. M. Bhole and J. Mahukud, Financial Institutions and Markets, Tata McGraw Hill, 5th edition, 2011.

2.F.SMishkin AND S.G. Eakins: financial markets and institutions ,Pearson Education ,3rd Edition:2011.

MODULE:4

Faboozi, J Frank, ModiglianiFranco(2008):Capital Markets-Institution and Instruments, 4th ed, Pearson Education, New Delhi .

.

Semester VI

Core Course XII AUEC643 Public Economics

5 Hours

4 Credits

Objectives of the course:

The course is aimed at:

- a. Introducing the subject matter and scope of public economics, role of government, types of market failures and the concept of public good;
- b. Providing a general understanding on the basic fiscal policy instruments.
- c. Generating awareness on public economics in India, with special focus on budgetary system and fiscal federalism.

Learning outcomes:

It is expected that this course would connect students to the basic concepts, components and processes of public economics. This would impart the skills essential for understanding and analysing the fiscal policy instruments and budgetary process in India. Students would develop an interest in unraveling the fiscal issues of India. The basic orientation would mould public policy makers and analysts of the future.

MODULE I: Introduction to Public Economics (10 hours)

Public economics: meaning and scope —Public finance and public economics- Public finance and private finance- Meaning and types of market failure – Concept and types of public goods- Role of Government in correcting market failure-Principle of maximum social advantage.

MODULE II: Public Revenue and Public Expenditure (30 hrs.)

Public Revenue: meaning – Sources of public revenue in India- Taxation: principles- Classification of taxes in India - Tax burden: Concepts of impact, incidence and shifting- Types of incidence: specific incidence, differential incidence, balanced budget incidence- Taxable capacity: concept- Concept of GST (in India).
Public expenditure; meaning , classification and Canons.

MODULE III: Public Debt. (10 hrs.)

Public debt: meaning and objectives- Classification of public debt- Sources of public debt in India- Monetised deficit- Concept of deficit financing. -India's Public debt. Public debt management.

MODULE IV: Budgeting (15hrs.)

Budget: Meaning- Classification of budget- Budgetary procedure in India – Public account- Consolidated and Contingency fund of India. Performance budgeting, Zero based budgeting, Gender budgeting. Budgetary deficits and its implications.

MODULE V: Fiscal Policy and Federal Finance (20 hrs.)

Fiscal Policy; Meaning and objectives- Fiscal consolidation: meaning; FRBM Act: objectives.

Federal finance: Meaning and principles- Indian fiscal federalism: Revenue sources of the Union Government, State Governments and local governments-Allocation of resources between the Union and States- Finance Commission: Functions - Fiscal Imbalance :Types (vertical and horizontal).

Essential Reading list:

a. For all chapters:

1. Musgrave,R.E and Musgrave.P (2004).(Fifth edition). Public Finance in Theory and Practice. Tata McGraw- Hill.New Delhi. (for chapters 1,2 and 3)
2. Bagchi,A.(2005). Readings in Public Finance.Oxford University Press.New Delhi

b. For specific chapter/topic:

3. Das,Surajit.(2017).Some concerns regarding **Goods and Service Tax**, EPW.04 ,March,2017. 52(9).
4. Government of India. **Economic Survey** (latest) (for Chapter IV). <http://mofapp.nic.in:8080/economicsurvey/>
5. Ministry of Finance, Govt.of India. **Union Budget** (for chapter IV). <https://www.indiabudget.gov.in/>
6. Department of Economic Affairs, Ministry of Finance.**Economic and financial classification of the Central Government Budget**. <https://dea.gov.in/central-government-budget>.
7. Chakraborty,Lekha. 2016.A Survey of **Gender Budgeting** Efforts.IMF Working Paper 16/150. <https://www.imf.org/en/Publications/WP/Issues/2016/12/31/Asia-A-Survey-of-Gender-Budgeting-Efforts-44143>
8. Ministry of Finance,Govt.of India. <https://www.indiabudget.gov.in/> (for the topic, **key budget documents**)
9. Dasgupta. C and Surajit Mazumdar.2017.**Fiscal federalism in India** since 1991.Infirmities of sound finance paradigm.Economic and Political Weekly. 14 January 2017.52(2)
10. Chakraborty.P. & Lekha Chakraborty. 2018.New **FRBM** framework: time to recast Union Government expenditure needs.EPW.03, March,2018.53(9).
12. **Chakraborty,P. 2015**. Inter-governmental Fiscal Transfers in India: Emerging Trends and Realities. ICSSR Research Surveys And Explorations: Economics Volume 3.Edited by C.P. Chandrasekhar, Jayati Ghosh and Prabhat Patnaik .

Suggested (additional) reference:

1. Stiglitz.J.E. & Jay K.Rosengard.2015. Economics of the Public Sector.Fourth International Student Edition. W.W. Norton& Co.New York.

2. Lekha.S.Chakraborty.(2016). Fiscal consolidation, Budget deficits and the Macro Economy.Sage Publications:New Delhi.
3. Pinaki Chakraborty,Lekha Chakraborty and Anit Mukherjee. 2016.Social sector in a decentralized Economy:India in the era of globalization.Cambridge University Press. New Delhi.(chapters 1,3 and 4)
4. Suri.M.M. (2010). Finance Commissions and Fiscal Federalism in India. New Century Publications. New Delhi.
5. Suri,M.M. (2010).Budgets and Budgetary procedures in India.Indian Tax Foundation.New Delhi.
6. Suri.M.M.2017.Goods and services Taxes in India: Background, Present Structure and Future Challenges.New Century Publications.New Delhi
- 7 .Rajaraman,I. 2017.Continuity and change in Indian fiscal federalism.India review
8. Jha,Raghbendra .(2009). Modern Public Economics.Routledge . Abingdon.
9. Bhatia.H.L. 2017. Public Finace.Vikas Publications.New Delhi
10. Sharma,C.K &Swenden,W. 2017.Continuity and change in contemporary Indian federalism.*India Review*. 16 (1).pp.1-13.
- 11.Rangarjan,C & D.K.Srivasatava.2011. Federalism and fiscal transfers in India. OUP.Oxford.

Online resources

10. <https://dea.gov.in/indian-public-finance-statistics>

11. <http://www.mospi.gov.in/statistical-year-book-india/2017/174> Ministry of Finance. Government of India. Statistical Year Book of India. (data). 12. <http://www.mospi.gov.in/> Ministry of Statistics and Programme Implementation. Government of India.Fiscal Statistics.

Semester VI

Core Course XIV AUEC644 Environmental Economics and Disaster Management

Module I Basic Concepts (5 Hrs)

Basic Concepts of environmental economics – economics and ecology – ecology and eco system

Module II Theory of Externalities (15 Hrs)

Market system and environment of externalities – Pareto optimum and Market failure in the presence of Externalities – Property rights and the Coase theorem

Module III Environmental Policy Tools for Analysis (20 Hrs)

Pigouvian Taxes and Effluent Charges; Tradable Permits – Environmental Valuation – Types of Economic Values – Non Market Valuation Methods – Cost Benefit Analysis – Sensitivity and Risk analysis

Module IV Global Environmental Issues (7 Hrs)

Economics of Climate Change – Agreements and Institutions - Population Growth and the Environment – Trade and Environment – Concept and Measurement of Sustainable Development

Module V Disaster Management in india (8 Hrs)

Concept and Definitions (Disaster, Hazard, Vulnerability, resilience, Risk) – Hazard and Vulnerability Profile of India – Institutional Arrangeents (Mitigation, DM Act and Policy, Plans Programmes and Legislation),Disaster management in India

Basic Readings

1. Hussain, M, Ahmed. 2000. Principles of Environmental Economics, Routledge, London and New York
2. Charles Kolstad, Intermediate Environmental Economics, Oxford University Press, 2nd edition
3. Carter, Nick 1991. Disaster Management: Disaster Manager's Handbook, Asiaan Development Bank, Manila Pilippiens.
4. Gupta Anil K, Sreeja S Nair, 2011 Environmental Knowledge for Disaster Management, NIDM, New Delhi

Semester VI
Elective Course AUEC691.a KERALA ECONOMY

Inst Hours-4 Number of Credit-2

Course Objective

To understand the structural changes, Sector-wise contribution and features of the Kerala Economy since the formation of the state and enable the students to have a basic understanding of the emerging trends and issues of Kerala Economy .

MODULE I: Structure of Kerala Economy

Development experience of Kerala: An overview: Kerala's development since the formation of the state-Features of the Economy- Structural composition – Primary, Secondary and Tertiary Sectors – changes over the years NSDP,GSDP and PCI – “Kerala Model of Development” –A comparison with the highest SDP state in India – HDI Status .

MODULE II: Demographic change: A boost to Economic change

Demographic Aspects (birth rate, death rate, infant mortality rate, sex ratio, age distribution)- why sex ratio is in favour of women in Kerala –need for women empowerment – Aging problem- Urbanisation, Migration and Emigration-Economic and social Impacts of Migration, return migration and interstate migration - Nature and Magnitude of Urban, Rural and Educated Unemployment - Trends in Urban and Rural Poverty in Kerala- Major poverty alleviation schemes.

MODULE III: Kerala's Economic Development : Sector-wise Analysis

Agricultural development since 1956- Objectives of Land reforms- Measures of Land reforms - Land Use Pattern and Cropping Pattern - Recent Trends in Agricultural Growth – Need for organic farming – organic farming initiatives- Agricultural Credit and Indebtedness-Traditional and Modern Industries in Kerala, Small Scale Industries and its prospects. Industrial backwardness of Kerala – Status of Public sector industries in Kerala – Role and importance of service sector- Education – Health – Tourism and IT sector in Kerala.

Module I:

1. Oommen, M.A. (1993): Essays on Kerala Economy, Oxford & IBH.
2. Planning Commission (2008): Kerala Development Report, Academic Foundation, New Delhi
3. Prakash, B.A (ed) (2004): Kerala's economic development: Performance and prospects in the post liberalization period, Sage Publications, New Delhi.
4. Prakash, B.A (ed) (1999): Kerala's Economic Development: Issues and Problems, Sage Publication, New Delhi.
5. State Planning Board , Economic Review, Various Issues, Thiruvananthapuram

6. Varghese P.K. & Liji B.,(2015) “Gujarat Miracle: A Challenge to Kerala Model of Development”, Southern Economist, Volume 54, Number 16.

Module II:

1. Zachariah, K.C. and S. Irudaya Rajan (2012):Kerala’s Demographic Future: Issues and Policy Options, Academic Foundation, New Delhi
2. Zachariah K.C. and S. Irudaya Rajan (2012):Kerala’s Gulf Connection 1998-2011: Economic and Social Impacts of Migration, Orient Black swan, New Delhi
3. Zachariah, K C et al (2003): Dynamics of Migration in Kerala, Orient Longman, India.
4. Rajasenan, D. and Gerard De Groot (ed) (2005): Kerala Economy: Trajectories, Challenges and Implications, CUSAT, Kochi.
5. M. MeeraBai, (2006), “ women and Economic Reforms: Kerala Experience”, Serials Publications, New Delhi.
6. M. Meera Bai (2012) “ Technology for women empowerment: Issues & Challenges”, Serials Publications, New Delhi.

Module III:

1. Harilal, K.N. & K.J. Joseph(2000): “Stagnation and revival of Kerala economy: An open economy perspective,” Centre for Development Studies, Trivandrum Working Papers 305, Centre for Development Studies, Trivandrum, India.
2. Rajan, K(ed)(2009): Kerala Economy :Trends during the post reform period, Serial Publications, New Delhi.
3. Oommen, M.A. (1960): Financing of Small-Scale Industries in Kerala sponsored by the Banking Commission, Reserve Bank of India, Bombay.
4. Oommen, M.A. (1999): Rethinking Development: Kerala’s Development Experience (in two volumes), Concept, New Delhi.
5. Oommen, M.A. (1979): Kerala Economy since Independence (ed.) Oxford & IBH, New Delhi.
6. Oommen, M.A. (1975): A Study of Land Reforms in Kerala Oxford & IBH, New Delhi.
7. Oommen, M.A. (1971): Small Industries in Indian Economic Growth: A Case Study of Kerala, Research Publications, New Delhi.
8. State Planning Board, Economic Review, Various Issues, Thiruvananthapuram.

Semester VI

Elective Course AUEC691.b INTRODUCTORY ECONOMETRICS

Inst. Hours- 3

Credit - 2

Course Objective

Econometrics intends to integrate economic theory, statistics, mathematics and real-world data. It is a useful tool that allows estimating the magnitude and strength of the relationships that exist between various sets of variables. Econometrics has much practical application in modern world, not only as an academic endeavour, but also in the government and private sectors.

This course introduces students to simple and multiple regression methods for analyzing data in economics and related disciplines. The objective of the course is for the student to learn how to conduct and to critique empirical studies in economics and related fields. Although the emphasis of the course is on empirical applications, a treatment of traditional econometrics will also be made.

The course covers the foundations of econometrics. This course provides a comprehensive introduction to basic econometric concepts and techniques. It covers estimation and diagnostic testing of simple and multiple regression models.

MODULE I: Introduction

Nature and Scope of Econometrics—Methodology of Econometrics – Normal Distribution; Chi-Sq; F and T distribution (5 Hours)

MODULE II: Simple Linear Regression Model: Two Variable Cases (15 Hours)

Estimation of model by method of ordinary least squares—Properties of estimators—Gauss Markov theorem—Goodness of fit—Tests of hypotheses— Forecasting

MODULE III: Multiple Linear Regression Model (20 Hours)

Least Square Estimation — R^2 and adjusted R^2 —Partial regression coefficients—Testing of hypotheses—Functional forms of regression models—Qualitative (dummy) independent variables – Forecasting

MODULE IV: Violations of Classical Assumptions (15 Hours)

Violations of classical assumptions: Consequences, Detection and Remedies—Multicollinearity—Heteroscedasticity—Serial Correlation - specification bias

Basic Reading List

Module I:

1. D.N.Gujarati and D.C.Porter, Essentials of Econometrics, McGraw Hill, 4thEdition, International Edition, 2009. Chapter 1
2. GMK Madnani, Introduction to Econometrics: Principles and Applications, Oxford&IBH Publishing Co, 8thEdition, 2008. Chapter 1.
3. Christopher Dougherty, Introduction to Econometrics, Oxford University Press, 3rd Edition, Indian Edition, 2007. Chapter 2.
4. Jan Kmenta, Elements of Econometrics, Indian Reprint, Khosla Publishing House, 2ndEdition, 2008

Analysis	- 40%
Conclusions and Suggestions if any.	- 20 %
Bibliography.	- 10%

Study Tour

A compulsory study tour is recommended as part of the paper entitled Economic growth and Development in the fifth semester. A report of the tour should be submitted to the head of the Department after the completion of the tour.