

## Programme Structure & Syllabus for M.A Economics Programme

### Programme Structure

S No	Course Code	Course Title	Type of Course	Teaching Hours/Week	Credits	Max Marks		Total Marks
						CIA	External	
<b>SEMESTER I</b>								
1	MEC -C101	Micro Economic Analysis – I	C	4	4	40	60	100
2	MEC-C102	Macro-Economic Analysis – 1	C	4	4	40	60	100
3	MEC-C103	Mathematics for Economics	C	4	4	40	60	100
4	MEC-C104	Indian Economy	C	4	4	40	60	100
5	SS	Soft Skill Elective	C	4	4	40	60	100
<b>SEMESTER II</b>								
6	MEC-C201	Micro-Economic Analysis-II	C	4	4	40	60	100
7	MEC-C202	Macro-Economic Analysis-II	C	4	4	40	60	100
8	MEC-C203	Quantitative techniques for Economic Analysis.	C	4	4	40	60	100
9	MEC-C204	International Economics	C	4	4	40	60	100
10	SO	Social Orientation Elective	C	4	4	40	60	100
<b>SEMESTER III</b>								
11	MEC-C301	Development Economics	C	4	4	40	60	100
12	MEC-C302	Public Economics	C	4	4	40	60	100
13	MEC-C303	Classical Political Economy	C	4	4	40	60	100
14	Elective	Elective Course I	E	4	4	40	60	100
15	Elective	Elective Course II	E	4	4	40	60	100
<b>SEMESTER IV</b>								
16	MEC-C401	Economics of Growth& Development	C	4	4	40	60	100

Master of Arts in Economics: Syllabus

17	MEC-C402	Monetary Economics	C	4	4	40	60	100
18	MEC-C403	Advanced Statistics & Computer Application	C	4	4	40	60	100
19	Elective	Elective Course III	E	4	4	40	60	100
20	Elective	Elective Course IV	E	4	4	40	60	100
		<b>Grand Total</b>		<b>80</b>	<b>80</b>	<b>800</b>	<b>1200</b>	<b>2000</b>

**Notes:**

**C: Core**

**E: Elective**

**SS: Soft Skill**

**SO: Social Orientation**

**1. Soft Skill Electives:**

SS-E101 - I T Skills (Not available to MSc. I.T students.)

SS-E102 - Communication Skills (Not available to MA English students.)

SS-E103- Management Skills (Not available to MBA students.)

**2. Social Orientation Electives:**

SO-E201 - Environment and sustainable Development

SO-E202 - Disaster Management

SO-E203 - Human Rights

**3. List of Electives for Elective Course I.**

MEC-E301: Environmental Economics

MEC-E302: Agricultural Economics

MEC-E303: Demography

**4. List of Electives for Elective Course II.**

MEC-E304: Industrial Economics

MEC-E305: Economics of Infrastructure

MEC-E306: Labour Economics

**5. List of Electives for Elective Course III.**

MEC-E401: Econometrics

MEC-E402: Economics of Health & Education

MEC-E403: Financial Institutions & Markets

**6. List of Electives for Elective Course IV.**

MEC-E404: Jammu & Kashmir Economy

MEC-E405: Financial Economics

MEC-E406: Regional Economics

**ELECTIVES WILL BE OFFERED SUBJECT TO THE AVAILABILITY OF FACULTY**

## Detailed Syllabus SEMESTER – I

### Core Courses:

Max. Marks :60

#### **MEC-C101: Micro Economic Analysis – I**

##### Unit – I

Elasticities of demand & their relationship, cardinal utility function – basic premises, ordinal approach, utility maximization, primacy & secondary rules, income & substitution effects – Hicks – Soutsky methods and application, ordinary & compensated demand curves, revealed preference hypothesis and its application. Hicks revision of demand theory, Logic of weak & strong ordering, Cost difference & compensatory variation methods, consumer's surplus in relation to normal and inferior goods

##### Unit – II

Choices available to a profit maximizing production unit in case of limitational and substitutional factor inputs, isoquants and some common production functions, cost minimizing input choices in case of single and multi-product firms and optimal expansion path, cost function traditional and modern approaches, average marginal relationships

##### Unit-III

Marginal analysis as an approach to price and output determination, basic and secondary rules, perfect competition- short run & long run equilibrium of the firm and industry, monopoly equilibrium, price discrimination of first, second and third degrees, welfare aspects, monopolistic competition- general & Chamberlin approaches to group with product differentiation and selling costs

##### Unit –IV

Oligopoly-Non-collusive (Cournot, Bertrand, Edgeworth, Chamberlin, Kinked demand curve 7 Stackelegeberg's solution) and collusive (cartels & mergers, price leadership models, price & output under monophony & bilateral monopoly)

##### Unit –V

Critical evaluation of marginal analysis, Baumol's sales revenue model with and without advertising, managerial modes of Morris and Williamson, Bain's limit pricing theory and its recent developments including Sylos -Labini's model, Average cost pricing

##### **Reading List**

<i>Koutsoyiannis, A</i>	:	<i>Modern Micro Economics, Macmillan (1990), London</i>
<i>Varian, H</i>	:	<i>Micro Economic Analysis, East-West Press, New Delhi</i>
<i>Layard, P.RG &amp; Walter, AW</i>	:	<i>Micro Economic Theory, McGraw Hill, New York/ Printice Hall of India, New Delhi.</i>
<i>Baumol, W.J.</i>	:	<i>Economic Theory &amp; Operations Analysis, Printice Hall, New Delhi</i>
<i>Henderson, J.M &amp; R.E. Quant:</i>	:	<i>Micro Economic Theory: A Mathematical Approach, Mc Graw Hall, New Delhi</i>
<i>Bilas, R</i>	:	<i>Modern Micro-economics, Macmillan</i>

**MEC-C102: Macro-Economic Analysis – I**

Max. Marks :60

Unit – I

Circular flow of income in two, three & four sector economy, social accounting input-output accounting & balance of payments accounting, environmental accounting

Unit – II

Keyne's psychological law of consumption – implications of the law, short-run and long-run consumption function, income consumption relationship- absolute income, relative income, life cycle and permanent income hypothesis

Unit – III

Marginal efficiency of investment and level of investment, marginal efficiency of capital and investment-long run and short run, the accelerator and investment behaviour, impact of inflation, influence of policy measures on investment –empirical evidence

Unit – IV

Multiplier accelerator interaction, theories of trade cycle-Keynes, Hicks, Samuelson and Kaldor, control of business cycles, relative efficacy of monetary and fiscal policies

Unit – V

Classical, Keynesian and Monetarist approaches to inflation, Structuralist Theory of inflation, Philips Curve, Samuelson & Solow- the natural rate of unemployment hypothesis, Tobin's modified Philips Curve, adaptive expectations and national expectations, policies to control inflation

**Reading List**

- Barauson, W.A.* : *Macroeconomic Theory & Policy, Harper and Row, NewYork*
- Shapiro, E* : *Macroeconomic Analysis, Galgotia Publications, NewDelhi*
- Survey, M.J.C.* : *Macroeconomic Themes, Oxford University Press, Oxford*
- Dornbusch, R & F. Stanley* : *Macroeconomics, McGraw Hill, NewYork*
- Jha R* : *Contemporary Macro Economic Theory & Policy, Wiley Eastern Ltd. New Delhi*

**MEC-C103: Mathematics for Economics**

Max. Marks :60

Unit – I

Concept of function & types of function, limit continuity and derivative, rules of differentiation, partial derivatives, higher order differentiation, Euler's Theorem, uses of differentiation in economics, constrained optimization, Lagrangian multiplier, problems of maxima and minima in single and multi-variable functions

Unit – II

Concept of integration, simple rules of integration, definite integral, fundamental theorem of integral, properties of definite integral, economics application of integrals, consumer's surplus and producer's surplus, growth rates and simple properties of time path of continuous variables

Unit – III

Determinants & their basic properties, solution of simultaneous equations through Cramer's rule, concept of matrix-their types, simple operations on matrices, matrix inversion and rank of a matrix

Unit – IV

Input-output analysis, linear programming, formulation of a linear programming, problem-its structure and variables, nature of feasible, basic and optimal solution, solution of linear programming through graphical and simplex method

Unit – V

First order differential equations –definition and concept, general formula for first order linear differential equations, exact differential equations and partial integration, rules for integrating functions, lagged income determination model, Cobweb Theorem

**Reading List**

- Allen, R.G.O.* : *Mathematical Analysis for Economists, Macmillan Press & ELBS London*
- Chiang A.C.* : *Fundamental Methods of Mathematical Economics, McGraw Hill New York*
- Yamanae, Taro* : *Mathematics for Economists, Prentice Hall of India, New Delhi*
- Monga, G.S.* : *Mathematics and Statistics for Economists, Vikas Publishing House, New Delhi*
- Kothari C.R.* : *An Introduction to Operations Research, Vikas Publishing House, New Delhi*

**MEC-C104: Indian Economy**

Max. Marks :60

Unit – I

Indian Agriculture in the pre-independence era-land system and its changes, land tenure system and land reforms in the post-independence era, Green revolution and capital formation in agriculture, agricultural prices and PDS, impact of public expenditure on agricultural growth, trends in production and productivity of major food crops in India, sustainability of agriculture and flood security in India

Unit – II

Industrial policy in the pre-reform period, role of private and public sectors, new industrial policy, and its impact, role of FDI and MNC's in industrial development

Unit – III

The concept of external sector and BOP, trends in composition, volume and direction of foreign trade, new trade policy, exchange rate policy

Unit – IV

Analysis of price, behaviour in India, financial sector reforms, interest rate policy, review of monetary policy of RBI, money and capital markets, working of SEBI in India

Unit – V

Rationale of internal and external reforms, globalization of Indian economy, WTO & its impact on different sectors of the economy, need for and issues in good governance

**Reading List**

- Jalan, B* : *The Indian Economy – Problems & Prospects, Viking, New Delhi*
- Brahamananda, P.R. & V.R. Panchmukhi (Eds)* : *The Development Process of the Indian Economy, Himalaya Publishing House, Bombay*
- Dantwala, M.L.* : *Dilemmas of Growth, The Indian Experience, Sage Publications, NewDelhi*
- Misra, S.K & V.K. Puri* : *Indian Economy, Himalaya Publishing House, NewDelhi*
- Kabra, K.N* : *Development Planning in India, Sage Publications, NewDelhi*

**SEMESTER – II****Core Courses:**

Max. Marks :60

**MEC-C201: Micro-Economic Analysis-II**Unit – I

Neo-classical approach- marginal productivity theory, elasticity of technical substitution and factor shares, product exhaustion theorem, theories of pricing of factors in imperfect markets, determination of rent, wages, interest and profit.

Unit – II

Macro-theories of distribution-Richardo, Marx, Kalecki and Kaldor Theories

Unit – III

Classical welfare economics-major uses and limitations, pareto optimality and necessary conditions to achieve it, Hicks Kaldor criterion, Bergson-Samuelson Approach and Arrow's Impossibility Theorem, General equilibrium

Unit – IV

Major constraints in achievements of optimum welfare perfect competition and pareto-optimality, market failures , externalities in production and consumption public goods and market failure, public goods pareto efficiency, the theory of second best

Unit – V

Individual behaviour towards risk, petersberg paradox and Bernoulli's hypothesis, Neumann-Morgenstern method of constructing utility index under risk situation, attitude towards risk, risk averter and risk lover and gambling risk aversion and insurance, risk spreading, introduction to two person zero sum game.

**Reading List**

- Da Costa, G.C.* : *Production, Prices and Distribution, Tata McGraw Hill, New Delhi*  
*Vrian, H* : *Micro Economic Analysis, W.W. Norton, New Delhi*  
*BronFenbrenner, M* : *Income Distribution Theory, Mcmillan, London*  
*Broadway, R.W.* : *Welfare Economics, Basil Blackwell, London*  
*& N Bruce*  
*Graff J.Dev* : *Theoretical Welfare Economics, Cambridge University Press, London*  
*Mishan , E.J* : *Welfare Economics : An Assessment, North Holland, Amesterdam*  
*Borch, K.H.* : *The Economics of Uncertainty, Princeton University Press,Princeton*  
*Diamond & Rothschild:* *Uncertainty in Economics, Academic Press, NewYork*

**MEC-C202: Macro-Economic Analysis-II**

Max. Marks :60

Unit – I:

Financial intermediation – a mechanistic model of bank deposit determination. A behavioural model of money supply determination, a demand determined money supply process, RBI approach to money supply, high powered money & money multiplier, budget deficits & money supply; money supply and open economy; control of money supply.

Unit – II:

Classical approach to demand for money – Quantity Theory Approach, Fisher’s equation, Cambridge version. Keynes Liquidity preference approach. Derivation of L M curve.

Unit – III:

Neo-classical and Keynesian views on interest. The IS – LM model. Extension of IS – LM model with government sector. Relative effectiveness of monetary & fiscal policies. Extension of IS – LM models with labour market and flexible prices.

Unit – IV:

Post – Keynesian approaches to demand for money – Patinkin and the Real Balance Effect. Approaches of Baumol & Tobin. Friedman & the modern quantity theory. Crisis in Keynesian economics and the revival for monetarism.

Unit – V:

Mundell – Fleming model – Asset markets, expectations and exchange rates; monetary approach to balance of payments.

**Reading List:**

<i>Gurley, J and E.S. Shaw</i>	<i>Money in a theory of Finance, Brookings Institution, Washington</i>
<i>Gupta, S.B.</i>	<i>Monetary planning in India, Oxford University Press, NewDelhi</i>
<i>Mckinen, G.E.</i>	<i>Money, The price level and Interest Rates, Prentice Hall of India, New Delhi</i>
<i>Jha, R.</i>	<i>Contemporary Macroeconomic Theory, New Age International, NewDelhi</i>
<i>Patinkin,</i>	<i>Money, Interest &amp; Prices, Harper &amp; Row, New Delhi.</i>
<i>Gordon, R &amp; S.G. Harris</i>	<i>Macroeconomics, Addison Wesley, Massachusetts</i>
<i>Shapiro,</i>	<i>Macroeconomic Analysis, Galgotia Publications, NewDelhi</i>



**MEC-C203: Quantitative techniques for Economic Analysis.**

Max. Marks :60

Unit – I:

Data collection methods; sampling design – criteria of selecting a sample, characteristics of a good sample design; types of sample designs; importance of measurement and scaling techniques; scaling techniques – Rating scales, differential scales, summated scales, cumulative scales and multidimensional scales.

Unit – II:

Meaning, assumptions and limitations of simple correlation and regression analysis; Pearson's product moment and Spearman's rank correlation and their properties. Concept of the least squares and the lines of regression (application only); methods of estimation of non-linear equations.

Unit – III:

Deterministic & Non-deterministic experiments; various types of events – classical and empirical definitions of probability. Laws of addition and multiplication. Conditional probability and concept of interdependence; Baye's Theorem and its application; Elementary concept of random variable; probability, mass and density functions; expectations, moment and moment generating functions.

Unit – IV:

Basic concept of sampling; types of sampling; concept of estimator & its sampling distribution. Desirable properties of an estimator; formulation of statistical hypothesis; goodness of fit – confidence intervals and levels of significance.

Unit – V:

Testing of hypothesis, important parametric tests – a conceptual introduction of z – test, t – test, f – test, chi – square test. Report writing – significance, steps involved; Layout of research report.

**Reading List:**

- |                                     |   |
|-------------------------------------|---|
| <i>Chou, Y.</i>                     | <i>Statistical Analysis, Holt, Reinhart and Winston, New York</i>                   |
| <i>Croxton Crowden &amp; Klein:</i> | <i>Applied General Statistics, Prentice Hall of India, New Delhi</i>                |
| <i>Nagar, A.L and R.K. Das</i>      | <i>Basic Statistics, Oxford University Press, New Delhi</i>                         |
| <i>Goon, A.M, M.K. Gupta</i>        |   |
| <i>and B. Das Gupta.</i>            | <i>Fundamentals of Statistics, The World Press Ltd., Calcutta</i>                   |
| <i>Monga, G.S.</i>                  | <i>Mathematics and Statistics for Economists, Vikas Publishing House, New Delhi</i> |

**MEC-C204: International Economics**

Max. Marks :60

Unit – I:

The pure theory of international trade – theories of absolute advantage, comparative advantage and opportunity costs, modern theory of international trade; theorem of factor price equalization; Heckscher – Ohlin Theory of International Trade. Role of dynamic factors, i.e., changes in tastes, technology and factor endowments in explaining the emergence of trade; the Rybczynski theorem.

Unit – II:

Measurement of gains from trade and their distribution. Concept of terms of trade, their uses and limitations. Hypothesis of secular deterioration of terms of trade, its empirical relevance and policy implications for less developed countries. Trade as an engine of economic growth.

Unit – III:

The theory of interventions – tariffs, quotas and non – tariff barriers. Economic effects of tariffs & quotas on national income, output, employment, terms of trade, income distribution; Balance of payments on trading partners. The political economy of non – tariff barriers and their implications.

Unit – IV:

Meaning and components of balance of payments. Equilibrium and disequilibrium in the balance of payments. The process of adjustment under system of gold standard, fixed exchange rates and flexible exchange rates. Expenditure – reducing and expenditure switching policies and direct controls for adjustment. Policies for achieving internal and external equilibrium simultaneously under alternative exchange rate regimes. Foreign trade multiplier with and without foreign repercussions and determination of national income and output.

Unit – V:

Forms of economic cooperation; Reforms for the emergence of trading blocs at the global level; static and dynamic effects of a custom union and free trade areas. Rationale and economic progress of SAARC / SAPTA and ASEAN regions- problems and prospects of forming a customs union in the Asian region. Regionalism(EU, NAFTA) Multilateralism and WTO. Emerging international monetary system with special reference to post – Bretton Woods developments and developing countries. Reform of the international monetary system, India and developing countries.

**Reading List:**

- Bhagwati, J (Ed) International trade, selected readings, Cambridge University Press, Massachusetts*
- Carbough, R.J. international Economics, International Thompson Publishing, New York*
- Dana, M.S. International Economics, Rutledge, London*
- Kindle Berger, C.P International Economics & International Economic Policy, R.D.Irwin, Homewood*
- King, P.G. International Economics, McGraw Hill International, Singapore*
- Krugman, P.R. & M.Obstfeld. International Economics, Glenview Forseman*
- Soderston, B. International Economics, TheMcmillan Press Ltd. London*

**SEMESTER – III****Core Courses:****MEC-C301: Development Economics**

Max. Marks :60

Unit – I

Development and underdevelopment – perpetuation of under development – absolute and relative; measuring development and development gap - per capita income, inequality of income and wealth, Human development index and other indices of development and quality of life; Food security, education, health and nutrition – Human resource development – population problem and growth pattern of population. Population, poverty and environment.

Unit – II

Theories of development – classical theory of development. Karl Marx’s theory of development – theory of social change; Immutable laws of capitalist development – crisis in capitalism. Schumpeter and capitalist development.

Unit – III

The process of cumulative causation – Myrdal, Unlimited supply of labour – Lewis model; Ranis – Fei model; Critical minimum effort thesis; Low level equilibrium trap; Kremer’s O-ring theory of economic development.

Unit – IV

Importance of agriculture and industry in economic development – the model of complementarities between agriculture and industry. Rationale and pattern of industrialization in developing countries. The choice of technology and appropriate technology infrastructure and its importance.

Unit – V

Need for investment criteria in less developed countries; present vs. future growth; Alternative investment criteria; cost – benefit analysis.

**Reading List:**

- |   |  |
|---|--|
| <i>Adelman</i>                          | <i>Theories of Economic Growth and Development, Standard University Press, Stanford</i>  |
| <i>Behrman, S &amp; T.N. Srinivasan</i> | <i>Handbook of Development Economics, Vol.3, Elsevier, Amsterdam</i>   |
| <i>Ghatak, S.K.</i>                     | <i>An Introduction to Development Economics, Allen &amp; Unwin, London</i>   |
| <i>Thirlwal, P</i>                      | <i>Growth &amp; Development, Mcmillan, U.K</i>   |
| <i>Malar, K.G.</i>                      | <i>Environment, Poverty in Economic Growth. Annual World Bank, Conference on Development Economics, World Bank Washington D.C (1997)</i> |
| <i>Mehrotra, S &amp; J. Richard</i>     | <i>Development with a Human Face, Oxford University Press, New Delhi</i>   |
| <i>Kindle Berger, C.P</i>               | <i>Economic Development, McGraw Hill, New York</i>   |
| <i>Myint, Hla</i>                       | <i>The Economics of Undeveloped countries, Preager, New York</i>   |
| <i>Higgins, B.</i>                      | <i>Economic Development, W.W.Norton, New York</i>  |

**MEC-C302: Public Economics**

Max. Marks :60

Unit – I

Role of Government in organized society, changing perspective- government in a mixed economy, public and private sector, cooperation or competition, government an agent for economic planning and development, government as a tool for operationalizing the planning process, private goods, public goods and merit goods, market failure, externalities, public goods, theory of second best

Unit – II

Private and public mechanism for allocating resources, problems of allocating resources, problems of preference revelation and aggregation of preferences, voting systems, Arrow’s impossibility theorem, an economics theory of democracy politico-eco-bureaucracy, rent seeking and directly unproductive profit seeking (DuP) activities

Unit – III

Demand revealing schemes for public goods, Clark, Groves ,Leyard Method, Timeout Method, Theory of Club Goods, Failure of inter-temporal markets, uncertainty and expectations

Unit – IV

Wagner’s Law of increasing state activities, Wisman-Peacock Hypothesis, pure theory of public expenditure, criteria for public investment, social cost benefit analysis, reforms in public expenditure programme, programme budgeting ad zero base budgeting

Unit – V

Classical view of public debt, compensatory method of debt policy, burden of public debt, sources of public debt, public borrowings and price level, crowding out of private investment and activity principles of debt management

**Reading List**

- |                                      |   |   |
|--------------------------------------|---|---|
| <i>Cornes, R &amp; T Sandler</i>     | : | <i>The Theory of Externalities Public Goods &amp; Club Goods, Cambridge University Press, Cambridge</i> |
| <i>Herber, B.P.</i>                  | : | <i>Modern Public Finance, Richard D. Irwin, Homewood</i>  |
| <i>Premchand A</i>                   | : | <i>Control of Public Expenditure in India, Allied Publishers, New Delhi</i>                             |
| <i>Sahni, B.S.</i>                   | : | <i>Public Expenditure Analysis, Rotterdam University Press</i>  |
| <i>AT Kinson, A.B., J.E.Siglitz</i>  | : | <i>Lectures on Public Economics, Tata McGraw Hill, New York</i>   |
| <i>Averbach, A.J. &amp;Feldstern</i> | : | <i>Handbook of Public Economics, North Holland, Amesterdam</i>  |
| <i>Jha, R</i>                        | : | <i>Modern Public Economics, Routlege, London</i>  |
| <i>Musgrave, R.A.</i>                | : | <i>The Theory of Public Finance, McGraw Hill, Tokyo</i>   |

**MEC-C303: Classical Political Economy**

Max. Marks :60

Unit – I

Predecessors of classical political economy; origin and growth of political economy  
Cantillon. Turgot and physiocrats. Quesnay's Tableau économique and its significance.

Unit – II

Classical theory of value – Adam Smith, David Ricardo, Malthus and John Stuart Mill.

Unit – III

The classical theory of distribution and growth, Smith's natural philosophy and operation of invisible hand. Role of state. Smith theory of capital accumulation and growth. Ricardo's theory of growth and distribution.

Unit – IV

Falling tendency of rate of profit in a growing capitalist economy views of Smith, Ricardo, Malthus and Karl Marx. The class conflict depicted by Ricardo & Marx. Significance of technology in the stabilization of capitalist growth.

Unit – V

Marxian laws of capitalist economy. The concept of surplus and its emergence. Consequences of capital accumulation. Theories of crisis. Difference between classical and Marxian Economics

**Reading List:**

- |                              |  |
|------------------------------|--|
| <i>Schumpeter, J.</i>        | <i>History of Economic Analysis, Oxford University Press, New York</i>   |
| <i>Blang, M.</i>             | <i>Economics theory in Retrospect; A History of Economic thought from Adam Smith to J.M. Keynes, Cambridge University Press, Cambridge</i> |
| <i>Schumpeter,</i>           | <i>Ten Great Economists, Oxford University Press, New Delhi</i>  |
| <i>Gide, C &amp; G. Rist</i> | <i>A History of Economic Doctrines, George Harro P &amp; Co, London</i>  |
| <i>Roll. E</i>               | <i>History of Economic thought, Oxford University Press, New York</i>  |
| <i>Haney, L.</i>             | <i>History of Economic thought, Faber, London</i>  |
| <i>Black House, R.</i>       | <i>A History of Modern Economic Analysis, Basil Blackwell, Oxford</i>  |
| <i>Grey, A &amp;</i>         | <i>The Development of Economic Doctrine, Longman Group, London</i>   |
| <i>A.E. Thomson</i>          |  |
| <i>Das Gupta, A.K</i>        | <i>Epochs of Economic Theory, Oxford University Press, New Delhi</i>   |

**Elective Courses:**

**MEC-E301: Environmental Economics**

Max. Marks :60

Unit – I

Welfare economics and Environment; pareto optimality and competitive equilibrium. Fundamental theorems of welfare economics; Externalities and market inefficiency. Economic activity and environment quality – interactions and tradeoffs; Roots of environmental degradation – consumers and producers surplus. Market and government failure and environment degradation.

Unit – II

Measurements of environmental values – use values; option values and non- use values; valuation methods – methods based on observed market behaviour; hedonic property values and household production models (travel cost method and household health production function. Methods based on response to hypothetical markets, contingent valuation methods.

Unit – III

Environmental regulations – promoting coasian markets; pigouvian taxes and subsidies, command and control verses market based instruments. Coase’s bargaining solution and collective action; informal regulation and new model of pollution control. Ministering and enforcement of environmental regulation. Environmental institutions and grass root movements. International trade and environment in WTO regime.

Unit – IV

Natural resource management and sustainable development – theories of optimal use of exhaustible and renewable resources; integrated environmental and economic accounting and measurement of environmentally corrected GDP policies for sustainable development.

Unit – V

Mechanism for environment regulation in India; environmental protection laws and their implementation. Micro planning for environment preservation – water sheds joint forest management and self-help groups.

**Reading List:**

<i>Baumol, W. J &amp; W.E. Oates</i>	<i>The theory of environmental policy, Cambridge University Press, Cambridge</i>
<i>Bromely, D.W (Ed)</i>	<i>Handbook of Environmental Economics, Blackwell, London</i>
<i>Hanley, N.J.F Shogern &amp; B. White</i>	<i>Environmental Economics in theory and practice, Mcmillan</i>
<i>Hussen, A.M</i>	<i>principles of environmental economics, Routledge, London</i>
<i>Kolstad, C.D</i>	<i>Environmental Economics, Oxford University Press, New Delhi</i>
<i>Sankar, U (Ed)</i>	<i>Environmental Economics, Oxford University Press, New Delhi</i>
<i>Crones, R and T. Sandler</i>	<i>The theory of externalities and public goods, Cambridge University Press, Cambridge</i>
<i>Ostrom, E.</i>	<i>Governing the commons; The evolution of institutions for</i>

*Mahata, S, S. Mundle  
& U. Shanker*

*Das Gupta, P.S &  
K.G. Maler (Ed)*

*Bhattacharya, R.N.*

*Collective actions, Cambridge University Press, Cambridge  
Controlling Pollution: Incentives and Regulation, Sage, New Delhi*

*Environment and Emerging Development Issues, Cambridge  
University Press*

*Environmental Economics: An Indian Perspective, Oxford  
University Press, New Delhi*

**MEC- E302: Agricultural Economics**

Max. Marks :60

Unit – I

Role of agriculture in economic development. Theories of Schultz, Mellor, Lewis and Boserup. Inter relationship between agriculture and industry.

Unit – II

Agricultural production – Resource use efficiency; production function analysis in agriculture; factor combination and resource substitution; size of farm and laws of returns – theoretical and empirical findings. Agricultural policy in India since 1947 – institutional and technological changes; impact on production, productivity and environment.

Unit – III

Use of land, water and energy; rural transport, communication, banking, extension services, rural electrification; rural social infrastructure – education, health and information dissemination.

Unit – IV

Government policy towards agriculture. Support price, credit policy and marketing policy. Issues and problems in rural industrialization and development of agro- based industries. Risk and uncertainty in agriculture – crop insurance and marketing policies – role of the state.

Unit – V

Recent trends in agricultural growth in India. Inter – regional variations in growth of output and productivity; cropping pattern shifts; supply of inputs –irrigation, power, seed and fertilizers. Bio – technological practices and growth potential.

**Reading List:**

- |                                      |   |
|--------------------------------------|---|
| <i>Bhaduri, A.</i>                   | <i>The Economic Structure of Backward Agriculture, Macmillan, Delhi</i>   |
| <i>Bilgrami, S.A.R.</i>              | <i>Agricultural Economics, Himalaya Publishing House, New Delhi</i>   |
| <i>Dantwala, M.L</i>                 | <i>Indian agricultural development since independence, Oxford &amp; IBH, New Delhi</i>                          |
| <i>Rao, C.H.</i>                     | <i>Agricultural growth, Rural poverty and environmental degradation in</i>                                      |
| <i>Hamumantha</i>                    | <i>India, Oxford University Press, New Delhi</i>  |
| <i>Saini, G.R.</i>                   | <i>Farm size, resource use efficiency &amp; Income distributions, Allied Publishers, New Delhi</i>              |
| <i>Chadha, G.K &amp; A.N. Sharma</i> | <i>Growth, Employment and Poverty: change and continuity in Rural India, Vikas Publishing House, New Delhi.</i> |
| <i>Chaudry, P</i>                    | <i>readings in Indian Agricultural Development, George Allen &amp;Unwin, London</i>                             |
| <i>Soni, R.N</i>                     | <i>Leading issues in Agricultural Economics, Arihant Press, Jalandhar</i>                                       |



**MEC- E303: Demography**

Max. Marks :60

**Unit – I**

Meaning & scope of demography: Components of population growth and their inter-dependence; measures of population change; structure, distribution and sources of demographic data. Theories of population growth – Malthus, optimum theory and theory of demographic transition, population & development.

**Unit – II**

Population trends in the 20<sup>th</sup> century. International aspects of population growth and distribution, population and environment. Pattern of age and sex structure in developed and developing countries. Determinants of age and sex structure; demographic effects of sex and age structure, economic and social implications. Age pyramids and projections.

**Unit – III**

Fertility – basic measures, TFR, GRR, NRR; levels, trends and determinants; Mortality – basic measures – IMR, MMR, levels, trends and determinants; life tables – construction and uses: concept of stable population projection.

**Unit – IV**

Migration and urbanization. Concept and types – temporary, internal and international effects on population growth and pattern; factors affecting migration & impact on distribution of rural – urban population.

**Unit – V**

Evolution of population policy in India – shift from population control to family welfare, to women empowerment. Impact of this shift on reproductive health, maternal nutrition and child health. Social impact of new population policy.

**Reading List:**

<i>Agarwala, S.N.</i>	<i>India's population problem, Tata McGraw Hill, Bombay</i>
<i>Bogue, D.J.</i>	<i>Principles of demography, John Wiley, New York</i>
<i>Choubey, J.L</i>	<i>Population policy in India, Kanishka Publications, New Delhi</i>
<i>Simon, J. L</i>	<i>Population &amp; Development in poor countries, Princeton University Press</i>
<i>Novell, C.</i>	<i>Methods and Models in Demography, Bellhaven Press, London</i>
<i>Srinivasan, K.</i>	<i>Basic Demographic Techniques and Application, Sage, New Delhi</i>
<i>Mishra, S.</i>	<i>Voluntary Action in Health and Population, Sage, New Delhi</i>

**MEC- E304: Industrial Economics**

Max. Marks :60

Unit – I

Framework of industrial economics – conceptual framework, history and scope of industrial economics, concept of firm and organisation of a firm – ownership, control and objectives of the firm. Location theories – Weber and Sargent Florence.

Unit – II

Market structure – standard forms of market structure, market concentration; product differentiation; entry conditions; economics of scale; market structure and profitability of market structure; growth of the firm – main determinants.

Unit – III

Industrial policy; trends in Indian history MNC's and transfer of technology. Process of liberalization and industrial growth. Development of cottage and small scale industries, their problems and prospects. Regional industrial growth in India.

Unit – IV

Industrial finance in India; role, nature, volume and types of institutional finance – IDBI, IFCI, SFCs, SIDC, Commercial Banks. Assessment of financial soundness.

Unit – V

Structure of industrial labour; employment dimensions of Indian industry, industrial legislation; industrial relations; Exit policy and social security. Wage policy – labour market reforms.

**Reading List:**

- |                         |  |
|-------------------------|--|
| <i>Ahluwallia, I.J</i>  | <i>Industrial Growth in India, Oxford University Press, New Delhi</i>    |
| <i>Barthwal, R.R</i>    | <i>Industrial Economics, Wiley Eastern Ltd. New Delhi</i>                |
| <i>Cherumlam, F</i>     | <i>Industrial Economics, Himalaya Publishing House, Mumbai</i>           |
| <i>Desai, B</i>         | <i>Industrial Economy in India, Himalaya Publishing House, Mumbai</i>    |
| <i>Divine, P.J</i>      | <i>An Introduction to Industrial Economics, George Allen &amp; Unwin</i> |
| <i>&amp; R.M. Jones</i> | <i>Ltd. London</i>   |
| <i>Kuchal, S.C.</i>     | <i>Industrial Economy of India, Chaitanya Publishing House,</i>          |
|                         | <i>Allahabad</i>   |
| <i>Martin, S</i>        | <i>Advanced industrial Economics, Oxford University Press, New Delhi</i> |
| <i>Mookherjee, D</i>    | <i>Indian industry policies and performance, Sage Publications, New</i>  |
|                         | <i>Delhi</i>   |
| <i>Sandesara, J.C</i>   | <i>Industrial policy and planning – 1947 – 1991: Tendencies,</i>         |
|                         | <i>Interpretations and issues, Sage Publications, New Delhi</i>          |

**MEC- E305: Economics of Infrastructure**

Max. Marks :60

Unit – I

Infrastructure and economic development – infrastructure as a public good; social and physical infrastructure; special characteristics of public utilities. The peak – load, off – load problem, dual principle controversy; economics of scale of joint supply; marginal cost pricing vs. other methods of pricing in public utilities; cross – subsidization – free prices, equity and efficiency.

Unit – II

Transportation economics – the structure of transport costs and location of economic activities. Demand for transport. Models of freight and passenger demand. Model choice; cost functions in the transport sector. Pricing principle. Special problems of individual models of transport.

Unit – III

Communication – rate making in telephone utilities. Principles of decreasing costs in telephone industry. Characteristics of postal services. Criteria for fixation of postal rates. Measurement of standards of service in telephone and postal services.

Unit – IV

Energy economics – primacy of energy in the process of economic development. Factors determining energy demand. Effects of energy shortages. Energy conservation. Renewable and non-conventional sources of energy. Energy modeling. The search for an optimal energy policy in the Indian context.

Unit – V

Social infrastructure – organization and financing of supply of social services. Private vs. public sector financing; recent debate about the fixation of pricing of social services. Development of social services in the successive Indian plans.

**Reading List:**

- |                               |   |
|-------------------------------|---|
| <i>Crew, M.A</i>              | <i>Public Utility Economics, Macmillan, London</i>                              |
| <i>&amp; P.R. Kleindorfer</i> |   |
| <i>ICSSR(1976)</i>            | <i>Economics of Infrastructure Vol. VI, New Delhi</i>                           |
| <i>Parikh, K.S (Ed)</i>       | <i>India Development Report – 1999-2000, Oxford, New Delhi</i>                  |
| <i>Turvey, R (Ed)</i>         | <i>Public Enterprises, Penguin, Harmonds Worth</i>                              |
| <i>Welson, J.R.</i>           | <i>Marginal Cost Pricing in Practice. Prentice Hall</i>                         |
| <i>Kneafsey, J.T</i>          | <i>Transportation Economic Analysis, Lexington, Toronts</i>                     |
| <i>Munty, D (Ed)</i>          | <i>Transport: Selected Readings, Penguin, Harmonds Worth</i>                    |
| <i>Farirs, M.T &amp;</i>      | <i>Public Utilities, HoughtonMiffin, Boston</i>                                 |
| <i>R. Sampson</i>             |   |
| <i>Asonofsky, J.A, Rao</i>    | <i>Energy Policy, North Holland, Amsterdam</i>                                  |
| <i>&amp; M. Shakeen (Eds)</i> |   |
| <i>Pachauri, R.K (Ed)</i>     | <i>Energy Policy for India, Macmillan Co of India, New Delhi</i>                |
| <i>Goyal, S.K</i>             | <i>Public Enterprises, Indian Institute of Public Administration, New Delhi</i> |

**MEC- E306: Labour Economics**

Max. Marks :60

**Unit – I**

Nature and characteristics of labour market in developing countries like India. Paradigms of labour market analysis – classical, neo-classical and dualistic economy. Demand for labour in relation to size and pattern of investment; choice of technologies and labour policies. Supply of labour in relation to growth of labour force. Mobility and productivity of labour; Rationalization, methods of recruitment and placement.

**Unit – II**

Employment and development relationship – poverty and unemployment in developing countries; unemployment – concept, types and measurement particularly in India. Impact of rationalization, technological change, modernization on employment in organized private industry, Public sector and employment in agriculture sector. Employment policy under five year plan and its assessment.

**Unit – III**

Classical, Neo-classical and bargaining theories of wage determination. Wage determination in various sectors – rural, urban, organized and unorganized and in informal sectors. Analysis of rigidity in labour markets; asymmetric information and efficiency of labour markets in wage determination.

**Unit – IV**

State & social security of labour – concept of social security and its evolution; social assistance and social insurance; appraisal of social security and labour welfare in India. Special problems of labour; child labour, female labour, discrimination and gender bias in treatment of labour. Labour market reforms. Second national commission on labour; globalization and labour markets.

**Unit – V**

Growth and structure of labour unions in India. Achievements of labour unions. Causes of industrial disputes & their settlement and prevention mechanism. Current trends in collective bargaining; Role of judicial activism; labour legislation in India and its effectiveness in relation to international labour standards.

**Reading List:**

- |                           |  |
|---------------------------|--|
| <i>Datt, G.</i>           | <i>Bargaining power, wages and Employment: An Analysis of Agricultural labour markets in India, Sage Publications, New Delhi</i> |
| <i>Hajela, P.D.</i>       | <i>Labour Restructuring in India; A Critique of the New Economic Policies, Common Wealth Publishers, New Delhi</i>               |
| <b><i>Laster, R.A</i></b> | <b><i>Economics of Labour,</i></b>   |
| <i>McConnel C.R.</i>      | <i>Contemporary Labour Economics, Macmillan, New York</i>  |
| <i>And S.L. Brue</i>      |  |
| <i>Popola, Ghosh</i>      | <i>Labour Employment and Industrial Relations in India, B.R. Publishing House, New Delhi</i>                                     |
| <i>A.N. Sharma (Eds)</i>  |  |
| <i>Sen, A.K</i>           | <i>Employment Technology and Development, Oxford University Press, New Delhi</i>   |
| <i>Kannapon, S.</i>       | <i>Employment Problems &amp; Urban labour markets in Developing Countries, University of Michigan, Ann Arbor</i>                 |
| <i>Memoria, C.B.</i>      | <i>Labour Problems &amp; Social Welfare in India, Kitab Mahal, Allahabad</i>   |

**SEMESTER – IV****Core Courses:**

Max. Marks :60

**MEC-C401: Economics of Growth& Development**Unit – I

Growth and Development comparison – Factors affecting growth and development; capital, labour and technology; growth models – Harrod&Domar; Neo-classical growth models – Solow & Meade, Mrs. Joan Robinson's growth model. Cambridge criticism of neo-classical analysis of growth.

Unit – II

Technical progress – embodied and disembodied technical progress; Hicks, Harrod; learning by doing, production function approach to determinants of growth. Growth models of Kaldor and Pasinetti, optimal savings and Ramsay's rule, golden rule of accumulation, two – sector model of Ujawa.

Unit – III

Endogenous growth – role of education, research, knowledge and infrastructure; A.K. model – explanations of cross country differentials in economic growth.

Unit – IV

International aspects of growth – international trade as engine of growth; static & dynamic gains from trade; Prebisch, Singer and Myrdal Export-led growth; Dual gap analysis; dependency theory of development & unequal exchange; balance of payments constrained growth.

Unit – V

Role of monetary and fiscal policies in developing countries. External sources – FDI, aid Vs trade, technology inflow; MNC activity in developing countries. Post-gatt international economic order; WTO and developing countries.

**Reading List:**

- |  |   |
|--|---|
| <i>Adelman, I.</i>                           | <i>Theories of Economic growth and development, Stanford University Press</i> |
| <i>Behrman, S.<br/>&amp; T.N. Srinivasan</i> | <i>Handbook of Development Economics, Elsevier, Stanford</i>                  |
| <i>Ghatak, S.</i>                            | <i>An Introduction to Development Economics, Allen &amp; Unwin, London</i>    |
| <i>Kinleberger, C.P.</i>                     | <i>Economic Development, McGraw Hall, New York</i>                            |
| <i>Thirwal, P.P.</i>                         | <i>Growth &amp; Development, Macmillan, U.K</i>                               |
| <i>Myint, H.</i>                             | <i>Economic Theory &amp; Underdeveloped Countries, Preager, New York</i>      |
| <i>Hayami, Y.</i>                            | <i>Development Economics, Oxford University Press, New York</i>               |
| <i>Taylor, L.</i>                            | <i>Macro Models for developing countries, McGraw Hall</i>                     |
| <i>Toderò, M.P.</i>                          | <i>Development Planning; Models &amp; Methods, Oxford University Press</i>    |

**MEC-C402: Monetary Economics**

Max. Marks :60

Unit – I

Meaning, functions and kinds of money; components of supply of money, Measures of money supply. Features of a developed money and capital market. Functions of commercial banks and prerequisites of a sound commercial banking system. A brief review of the measures taken in India to liberalize the financial system.

Unit – II

Theories of demand for money – classical and Keynes; Money supply, the H theory of money supply, Money multiplier process, determinants of money multiplier; Keynes; income theory of money; Neo-classical theory of money.

Unit – III

Functions & growth of financial institutions in India. Functions and objectives of central bank; instruments of credit control. Objectives and limitations of monetary policy. Role of non-banking financial institutions in India – mutual funds, LIC, Investment companies, venture capital. Role of regulatory authorities – SEBI and IRDA.

Unit – IV

The structure of financial markets – call money, treasury bills and commercial bills; the stock market and market for gilt edged securities; unregulated credit markets. Financial sector reforms in India.

Unit – V

Foreign exchange; foreign exchange rate, foreign exchange market – concept of spot exchange rate and forward exchange rates; determination of exchange rates under fixed & flexible exchange rate regime and role of hedging in the determination of exchange rates; Euro-Dollar market – its role & significance.

**Reading List:**

<i>Gupta, S.B</i>	<i>Monetary Economics, S.Chand &amp; Company, New Delhi</i>
<i>Mitra, S.</i>	<i>Money &amp; Banking, Random House, New York</i>
<i>Chandler, L.V.</i> & <i>S.M. Goldfeld</i>	<i>The Economics of Money and Banking, Harper &amp; Row, New York</i>
<i>Sayers, R.S.</i>	<i>Modern Banking, Oxford University Press, New Delhi</i>
<i>Smith, P.F.</i>	<i>Economics of Financial Institutions &amp; Markets, Prentice Hall</i>
<i>Gupta, S.B.</i>	<i>Monetary planning for India, S. Chand &amp; Company, New Delhi</i>
<i>Grabble, J.O</i>	<i>International Financial Markets, Elsevire, New York</i>

**MEC-C403: Advanced Statistics & Computer Application**

Max. Marks :60

Unit – I

Correction and Regression Analysis. Pearson's product moment and spearman's rank correlation coefficients and their properties. Partial and multiple correlation and regression. Methods of estimation of non-linear equations.

Unit – II

Deterministic & non-deterministic experiments; classical and empirical definitions of probability: conditional probability & concept of interdependence; Boye's theorem and its applications; probability, mass and density functions; expectations, movements and moment generating functions.

Unit – III

Basic concepts of data processing – data structure and file organisations. I/O statements, types of formats –Fortan, Free, Binary, WKI etc. READ, PRINT and PUNCH statements; Double precision. Complex and logical variables; subscripted variables. Familiarity with dbase.

Unit – IV

Programming logic – plan charts & decision tables. Familiarity & usage of packages like SX & SPSS.

Unit – V

Graphics and visual representation of economic data. Document transfer and delivery. www and use for business and commercial activities like e-business and e-commerce; electronic stock market and exchanges; B2B and B2C concepts.

**Reading List:**

<i>Chou, Y.</i>	<i>Statistical Analysis, Holt, Reinhart and Winston, New York</i>
<i>Croxtan, Crowder &amp; Klein;</i>	<i>Applied General Statistics, Prentice Hall of India</i>
<i>Nagar, A.L &amp; R.K. Das;</i>	<i>Basic Statistics, Oxford University Press, New Delhi</i>
<i>Kerns</i>	<i>Essentials of Microsoft Windows, Word &amp; Excel, PHI, NewDelhi</i>
<i>Kossaek and Honschke</i>	<i>Introduction to Statistics and Computer Programming, PHI</i>
<i>Show. S. Kuo</i>	<i>Numerical Methods &amp; Computers, Wosely Pub. Company Inc</i>
<i>Schied, F</i>	<i>Theory &amp; Problems of Computers &amp; Programming, Schaum's Outline Services, McGraw Hill, New Delhi.</i>

**Elective Courses:**

**MEC- E401: Econometrics**

Max. Marks :60

Unit – I

Nature, meaning and scope of econometrics: simple and general linear regression model – assumptions. Estimation (through OLS approach) and properties of estimators; Gauss – Markov theorem; concepts and analysis of variance and its application in regression analysis. Estimation of non-linear equations.

Unit – II

Nature, test, consequences and remedial steps of problems of heteroscedasticity; Multicollinearity and auto-correlation; problems of specification error; errors of measurement.

Unit – III

Dummy variable technique – testing structural stability of regression models comparing to regression, interaction effects, seasonal analysis, use of dummy variables, regression with dummy dependent variables: the LPM, Logit, Probit and Tobit models – applications.

Unit – IV

Autoregressive and distributed lag models – Koyak model, Partial adjustment model, Adaptive expectations, Instrumental variables; problem of auto-correlation – application; Almon approach to distributed – lag models; Error correlation mechanism. Causality test, granger test and Sim’s test.

Unit – V

Simultaneous equation models. Introduction & examples: the simultaneous bias and inconsistency of OLS estimators; the identification problem; rules of identification – order and rank condition. Methods of estimating. Simultaneous equation system.

Reading List:

1. *Ameniya, T;* *Advanced Economics, Harvard University Press, Cambridge*
2. *Baltagi, B.H;* *Econometrics, Springer, New York*
3. *Dongherty, C;* *Introduction to Econometrics, Oxford University Press, Cambridge*
4. *Gujarati, D.N;* *Basic Econometrics, McGraw Hill, New Delhi*
5. *Kennedy, P;* *A Guide to Econometrics, MIT Press, New York*
6. *Kmenta, J;* *Elements of Econometrics, University of Michigan Press, New York*
7. *Koutsoyiannis, A;* *Theory of Econometrics, Macmillan Press Ltd. London*
8. *Maddala, G.S;* *Econometrics, Aldershot, W.K*
9. *Johnston, J;* *Econometric Methods, McGraw Hill, New York*
10. *Chow, G.C;* *Econometrics, MIP, New York*
11. *Franses, P.H;* *Time Series Models for Business & Economic Forecasting, CUP, New York*



**MEC- E402: Economics of Health & Education**

Max. Marks :60

Unit – I

Education – costs and benefits. Human capital verses physical capital; education as an instrument for economic growth; determinants of demand for education; costs & benefits of Education; Private and social costs. Private & social benefits. Direct and indirect benefits.

Unit – II

Educational planning and economic growth; Educational financing – resource mobilization and utilization, pricing & subsidies; Effects of education, ability, earnings, health, poverty and income distribution. Economics of education planning in developing countries with special reference to India.

Unit – III

Primary education – achievements and concerns; case for compulsory education. Financing of universal primary education; Higher education in India – changing perspective, education and earnings, household expenditure, growth of higher education.

Unit – IV

Determinants of health; economic dimensions of health care; Appraisal of health care financing; ; the concept of human life value; benefit –cost and cost effectiveness approaches; institutional issues in health care delivery.

Unit – V

Public health scenario in India – burden of diseases, infant and child mortality rates, maternal health infections and parasitic diseases; life style diseases, mobility and physical disability, health care expenditure.

**Reading List:**

- |                        |   |
|------------------------|---|
| <i>Baru, R.V;</i>      | <i>Private Health Care in India, Sage Publications, New Delhi</i>                           |
| <i>Blang, M;</i>       | <i>An introduction to Economics of Education, Cambridge University Press</i>                |
| <i>Cohn,</i>           | <i>Press</i>  |
| <i>E and T. Gaske;</i> | <i>Economics of Education, Pergamon Press, London</i>                                       |
| <i>Schultz, T.W;</i>   | <i>Economic Value of Education,</i>   |
| <i>Woodhall, M;</i>    | <i>Cost – benefit Analysis in Educational planning, Columbia University Press, New York</i> |
| <i>World Bank;</i>     | <i>The world Development Report, OUP, New York</i>  |
| <i>Klarman, H.E;</i>   | <i>The Economics of Health, CUP, New York</i>   |
| <i>Beman, P &amp;</i>  |   |
| <i>M.E. Khan;</i>      | <i>Paying for India's Health Care, Sage, New Delhi</i>                                      |

**MEC- E403: Financial Institutions & Markets**

Max. Marks :60

Unit – I

Nature & Role of Financial System – money and near money – Financial intermediation and financial intermediaries – the structure of the financial system – Functions of the financial sector; Equilibrium in financial markets; Financial System & Economic development: criteria to evaluate assets: risk & financial assets. Risks return trade off – valuation of securities.

Unit – II

Structure of interest rates – level of interest rates – long period & short period rates – term structure of interest rates – spread between lending & deposit rates – administered interest rates – appropriate interest rate policy.

Unit – III

Non-bank financial intermediaries, definition and types of non- bank financial institutions. Their growth and impact on India's economic development. Measures taken to control their operations.

Unit – IV

Role and structure of money & capital market – call money market, Treasury bill market, commercial bill market including commercial paper and certificate of deposits. Discount market – Government securities market – markets for derivatives: future and options and other derivatives; types, uses and pricing of derivatives – primary and secondary market for securities. SEBI, its impact on capital market in India; IDRA and its role in financial markets.

Unit – V

International financial markets – nature, organisation and participants – reforms in international monetary system and its impact on developing countries. Lending operation of World Bank and its affiliates – working of IDA and IFC. Growth of Regional financial institutions. Asian development bank and its lending activities. Euro- dollar and Euro- currency markets; their developmental role and regulation at the international level.

**Reading List:**

- |                            |  |
|----------------------------|--|
| <i>Bhole, L.M.</i>         | <i>Financial Institutions and Markets, TMH, New Delhi</i>  |
| <i>Bhole, L.M.</i>         | <i>Indian Financial System, Chugh Publications, Allahabad</i>  |
| <i>Edminster, R.O.</i>     | <i>Financial Institutions, Markets &amp; Management, McGraw Hill, New York</i>                           |
| <i>Khan, M.Y.</i>          | <i>Indian Financial System, TMH, New Delhi</i>   |
| <i>Prasad, K.N.</i>        | <i>Development of India's Financial System, Sarup &amp; Sons, New Delhi</i>                              |
| <i>Chandra, P.</i>         | <i>Financial Markets, TMH, New Delhi</i>   |
| <i>Fens Termaker, J.V.</i> | <i>Readings in Financial Markets &amp; Institutions, Appleton, New York</i>                              |
| <i>Gupta, S.B.</i>         | <i>Monetary Economics, S.Chand &amp; Company, New Delhi</i>  |
| <i>Ranganarajan, C.</i>    | <i>Indian Economics – Essays on Money &amp; Future Markets, UBS, New Delhi</i>                           |
| <i>Waller, P.</i>          | <i>The Theory of Future Markets, Blackwell, Oxford</i>   |
| <i>Gupta, L.C. (Ed)</i>    | <i>India's Financial Markets and Institutions, Society for Capital Research &amp; Development, Delhi</i> |
| <i>Crocker, A.</i>         | <i>International Money: Issues &amp; Analysis, The English Language Book Society, Welson, London</i>     |

**MEC- E404: Jammu & Kashmir Economy**

Max. Marks :60

Unit – I

Structural transformation of J & K economy during plan period. Behaviour of Macro economic variables – NSDP, PCY, HDI & GDI – major trends. Poverty and unemployment in the state. State finance – sources and disbursement; Centre state relations.

Unit– II

Land use pattern and cropping pattern in the state. Institutional & technological changes in agriculture and their impact on production, capital formation and income distribution, trends in production and productivity of major food crops in the state. Horticulture – area, production and exports.

Unit – III

Industrial development in the state – problems and prospects. Industrial policy resolution 2004. PSUs in the J & K – SIDCO, SICOP, SRTC, J & K Minerals Limited – Sericulture – profile and development initiatives.

Unit – IV

Tourism – inflow, revenue and development initiatives. Sectoral impact of tourism. Major impediments, steps taken to improve tourism in the state and progress achieved. Tourism potential and future prospects.

Unit – V

Health care infrastructure. Mortality, reproductive health, maternal nutrition and child health policies. Education – literary trends in the state. Major achievements and failures. Status in respect of infrastructure.

**Reading List:**

- Singh, J, 2004                      The economy of Jammu & Kashmir, RadhaKrishan & Co. Jammu*  
*DES, digest of statistics, latest issue, Govt. of Jammu & Kashmir*  
*DES, Indicators of Regional Development 2007 – 2008, Govt. of Jammu & Kashmir*  
*Godhbole committee report on economic reforms for J & K, 1998, Govt. of J & K Sgr.*  
*Bhat, M. S &                      Poverty, Planning and Economics change in J & K, Vikas*  
*M.L. Misri                              Publishing House, New Delhi*  
*Bakshi, S.R                            History of Economic Development in Kashmir, Gulshan Pub. Sgr.*  
*Development Report of J & K State, 2003*  
*Khan, B.A.                            Economic and Political Implications of Land Reforms in the State*  
*of J & K. The Journal of Central Asian Studies, Vol. XI, No.1, 2001*  
*NFHS Reports                        PRC, Deptt. of Economics, University of Kashmir.*  
*Khan, B.A &                            Economic Variability of Vegetable Production in Kashmir,*  
*Saba Basharat Agricultural Situation in India, Ministry of Agriculture, Jan, 2006.*  
*Khan, B.A. &                        Impact of Technological Change on Size – Productivity Relation-*  
*S. Alam                                ship & Resource use efficiency in Kashmir, ASI, Ministry of*  
*Agriculture, July 1988.*  
*Khan, B.A. &                        Effect of Land Reforms on Resource use efficiency in J & K, ASI,*  
*S. Alam                                Ministry of Agriculture, July 1988.*

**MEC-E405: Financial Economics**

Max. Marks :60

Unit – I

Capital structuring – Cost of Capital; cost of equity, cost of debt, weighted average cost of capital, opportunity and marginal cost of capital; operating and financial leverages; capital structure – modern and traditional approaches.

Unit – II

Capital budgeting – Payback period method, NPV method, IRR method, Probability Index method. Capital budgeting under risk and uncertainty; capital Rationing.

Unit – III

Corporate Restructuring: Mergers, Acquisitions, Amalgamations, Disinvestment – Motives and Methods.

Unit – IV

Portfolio Market Theories – Risk – Reward ratio of Individual Security; stock valuation models, portfolio risk and return, efficient portfolio's, portfolio selection models.

Unit – V

Capital Market Theories – capital – asset pricing model, security market line, arbitrage pricing theory and multi – factor models of risk

**Reading List:**

*Ross, Waster Field  
& Jordan*

*Elton & Gruber  
Fuller &Farrel*

*Kishore, R.M.  
Pandey, I.M.*

*Fundamentals of Corporate Finance, Tata McGraw Hill*

*Modern Portfolio Theory and Investment Analysis, TMH  
Modern Investments & Security Analysis, McGraw Hill Book  
Company*

*Financial Management, Taxman Allied Services*

*Financial Management, Vikas Publishing House, New Delhi*

**MEC-E406: Regional Economics**

Max. Marks :60

Unit – I

Concepts – meaning and importance of regional economics; different types of a region; regional income; problems of estimation; indicators of regional development. Location of firms – one market one input case. More generalized version. Locational interdependence; Hotelling phenomena; general equilibrium; uncertainty; maximizing vs. satisficing.

Unit – II

Regional growth – Neo – Classical growth models – cumulative causation model; Center – periphery model; growth pole analysis; convergence and divergence of disparities in per capita regional income.

Unit – III

Techniques of regional analysis – regional and inter-regional input – output analysis; attraction model; Gravity model; Shift Share analysis; Impact studies.

Unit – IV

Regional policy – People prosperity versus place prosperity; formulation of inter-regional objectives; consistency between national and regional objectives; alternative regional policy measures; Historical evidence.

Unit – V

Inter – regional differentials in India’s development – Agriculture, Industry, physical infrastructure, social sector. Regional policy in India.

**Reading List:**

- |  |  |
|--|--|
| <i>Chand, M&amp; V.K. Puri</i>           | <i>Regional Planning in India, Allied Publishers, New Delhi</i>                                |
| <i>Hoover, E.M.</i>                      | <i>An Introduction to Regional Economics, Alfred. A. Knopf, New York</i>                       |
| <i>Isard, W.</i>                         | <i>Methods of Regional Analysis, MIT Press, Cambridge</i>                                      |
| <i>Richardson, H.W.</i>                  | <i>Regional Economics, Weidenfield and Nicolson, London</i>                                    |
| <i>Dholakia, R.H.</i>                    | <i>Regional Disparity in Economic Growth in India, HPH, Bombay</i>                             |
| <i>Friedman, J &amp; W. Alonso (Eds)</i> | <i>Regional Policy Readings in Theory &amp; Application, MIT Press</i>                         |
| <i>Rao, H.</i>                           | <i>Regional Disparities &amp; Development in India, Ashish Publishing House, New Delhi</i>     |
| <i>Richardson, H.W.</i>                  | <i>Input – Output and Regional Economics, John Wiley, New York</i>                             |
| <i>Seth, V.K.</i>                        | <i>Industrialization in India; A Spatial Perspective, Commonwealth Publishers, New Delhi</i>   |
| <i>Siebert, H.</i>                       | <i>Regional Economic Growth; Theory &amp; Policy, International Textbook Company, Scranton</i> |