

Department of Economics
Course: B.A.Programme /B.A. (Subsidiary)
Semester-Wise Paper and Credits*
(REVISED COURSE STRUCTURE w.e.f. 2016-17)

Semester-I	Semester-II
BES-(P/S)-101: Principles of Microeconomics	BES-(P/S)-201:Principles of Macroeconomics
Semester-III	Semester-IV
BES-(P/S)-301 (Old) Macro Economics – I (2016-17)/ BES-(P/S)-301:Indian Economy (2017-18 Onwards)	BES-(P/S)-401 (Old) Macro Economics – II (2016-17)/ BES-(P/S)-401:Money and Banking
Semester-V	Semester-VI
BES-(P/S)-501: International Trade	BES-(P/S)-601: Public Economics

*Each paper carries 100 marks/4 credits.

Syllabus for B.A. Programme/ B.A. Subsidiary

BES-(P/S)-101: Principles of Microeconomics

Unit- 1: Basic Concepts in Economics

Demand: Demand function, law of demand, determinants of individual demand; demand curve and demand schedule; market versus individual demand schedule; extension and contraction of demand, shifts in the demand curve.

Supply: Supply function, determinants of supply; supply schedule and supply curve; market versus individual supply; extension and contraction of supply, shifts in the supply curve.

Concepts of elasticity of demand; factors affecting elasticity of demand; elasticity of supply.

Unit- 2: Consumption, Production and Costs

Concept of utility, budget constraint, consumption and income/price changes, demand for all other goods and price changes; description of preferences (representing preferences with indifference curves); properties of indifference curves; consumer's optimum choice; income and substitution effects;

Production isoquants, law of variable proportion, economic region of production, return to scale using isoquants. Cost of Production: Long run and short run costs of production, various cost concepts and shape of their curves; short run costs and output decisions; equilibrium of the firm.

Unit-3: MARKETS

Introduction to Markets

Perfect Competition: Assumptions, Equilibrium of the firm and the industry in the short and the long runs, including industry's long run supply curve

Monopoly: features of monopoly, price and output under monopoly, nature and degree of price discrimination.

Suggested Readings:

1. Pindyck,R.S., D.L. Rubinfeld and P.L .Mehta;*Microeconomics*, Pearson Education.
2. N.Gregory Mankiw, *Principles of Micro Economics* ,Cengage Learning
3. Browning ,E.K. and J,M Browning ; *Microeconomic Theory and Applications*, Kalyani Publishers,New Delhi.
4. Gould,J.P . and E,P.Lazear ; *microeconomic Theory* ,All India Traveller bookseller ,New Delhi.
5. Lipsey ,R.G.and K.A. Chrystal ;*Economics* ,Oxford University Press.
6. Salvatore,D.Schaum's *Outline of Theory and Problems of Microeconomic Theory*,McGraw-Hill,International Edition.

BES-(P/S)-201: Principles of Macroeconomics

Unit-1 Basic Concept of National Income.

Concepts of National Income –GNP and NNP at market price and factor cost, National product and Domestic product, Measurement of National Income–Output Method, Income Method and Expenditure Method, difficulties in the measurement of National Income.

Unit.2 Classical Theory of Output & Employment.

Says law of markets and Quantity theory of Money, Classical model without saving and Investment. Effects of the change in Labour supply and in Change in labour demand, on the level of output employment, Rigid money wage, monetary policy and full employment. Classical theory with saving and investment.

Unit.-3 Keynesian Theory of Income and Employment.

The Keynesian approach to the determination of price, Output and Employment –The Complete Keynesian model. Consumption function, Saving and Investment, Concept of Multiplier, Government Expenditure Multiplier, and tax multiplier, Leakages of multiplier.

Basic Readings:

1. Shapiro E. Macro Economic Analysis Second Edition.
2. Vaish, M.C. Macroeconomic Theory, Vikas Publishing House Pvt.Ltd.
3. Macroeconomics N. Gregory Mankiw, First Indian Reprint 1992.
4. Wilfred Beckerman ' An Introduction to National Income Analysis'.
5. S.K. Aggarwal National Income Accounting Latest Edition.

BES-(P/S)-301: Indian Economy

Unit- 1: Concept of Developed and Developing Economies

Characteristics of a developing economy – basic features of Indian economy -Population and Economic Development - Demographic trends of India – Occupational Structure - Population policy, Employment in organised and unorganised sectors , Issues in Indian Planning – Objectives and critical evaluation of each Plan.

Unit-2: Perspective of India's Agricultural and Industrial Economy

Importance of Agriculture in Indian economy – trends in agriculture production and productivity, Green Revolution and Food Security, Agriculture Price Policy, Sources of Agricultural Finance and Sustainable Agricultural Growth, Industrial Policy – pre and post 1991 and trends in India's industrial growth and productivity, Small vs. large industry, Policy issues and future prospects: infrastructure, and regional imbalances

Unit-3: Contemporary Issues

Macro-economic stabilization – fiscal and monetary policies, Globalisation and its impact on the Indian economy with special reference to global financial crisis, 2007-08, India and the World Economics, India's foreign trade and investment policies,

References:

1. Bansil, P.C, *Agricultural Problems of India*, Vikas Publishing House Pvt. Ltd.
2. Datt, R. and Sundharam, K.P.M, *Indian Economy*, S. Chand & Company Ltd, New Delhi.
3. Kapila, U. (2008-09), *Indian Economy Since Independence*, Academic Foundation, New Delhi.
4. Mookherjee, D. (1997), *Indian Industry: Policies and Performance*, Oxford University Press,

Detailed Readings:

1. Acharya, S. (2002), *India: Crisis, Reforms and Growth in the Nineties*, Working Paper No. 139, Centre for Research on Economic Development and Policy Reform, Stanford University.
2. Ahluwalia, I.J. and Little, I.M.D. (Eds.) (1999), *India's Economic Reforms and Development (Essays in Honour of Manmohan Singh)*, Oxford University Press, New Delhi.
3. Basu, S.C. and Gulati, A. (2005), *Economic Reforms and Food Security: The Impact of Trade and Technology in South Asia*, Routledge.
4. Bhagwati, J.N.(1993), *India in Transition: Freeing the Economy*, Clarendon Oxford.
5. Bhalla, G.S. and Singh, G. (2001), *Indian Agriculture: Four Decades of Development*, Sage Publications.
6. Glinskaya, E. and Lokshin, M. (2005), *Wage Differentials Between The Public And Private Sectors in India*, The World Bank.
7. Mattoo, A. and Stern, R.M. (2003), *India and the WTO*, World Bank Publication.
8. Mohan, T.T.R. (2005), *Privatisation in India: Challenging Economic Orthodoxy*, Routledge.
9. Rao, C.H.H. (2005), *Agriculture, Food Security, Poverty and Environment: Essays on post-reforms India*, Oxford University Press.
10. Sengupta, D., Chakraborty, D. and Banerjee, P. (2006), *Beyond the Transition of WTO: An Indian Perspective on Emerging Issues*, Academic Foundation.

BES-(P/S)-401: Money and Banking

Unit- 1: Money and Evolution

Money an overview- Classification of Money- Theories of Demand for Money -- Various Approaches- Fisher, Cambridge, Keynes, Friedman

Unit-2: Banking System- an overview

Banking System- Central Bank's – Role, Functions, Credit Control Methods- Commercial Banking- functions, Process of Credit Creation, Social banking

Unit- 3: Monetary Policy and Perspectives

Monetary Policy- goals and objectives of Monetary Policy- Monetary Policy in India, Fiscal Policy in India- Fiscal Policy measures in India - Financial sector reforms in India

References:

Chandler, L.V. The Economics of Money and Banking, S. Chand & Company Ltd., New Delhi

M.K. Lewis (2000), Monetary Economics, OUP

M.R. Baye, D.W. Jansen (1996), Money Banking and Financial Markets, AITBS, (Indian Edition)

Maurice Levi (1999), International Finance, Tata McGraw Hill

L.M. Bhole (1999), Financial Institutions and Markets, Tata Mcgraw Hill

R.B.I. Bulletin, Annual Report; Report on Currency and Finance

R.B.I - Report of the Working Group: Money Supply Analytics and Methodology of Compilation, 1998.

S.B.Gupta, Monetary Economics

Y.V. Reddy (2000), Monetary and Financial Sector Reforms in India UBSPD, New Delhi

BES-(P/S)-501: International Trade

Unit-I: Introduction to International Trade

International Trade definition, scope current scenario of trade, opportunity cost and production possibility curve, Terms of Trade, Ricardian Theory of Trade, its criticism and application.

Unit – II: Trade Policy

Free Trade and Economic Protection, Theory and Practice, Economic Effects of Tariff, Import Quota, Import Substitution and Export Promotion, Trade Negotiation under General Agreement on Tariff and Trade (GATT) and World Trade Organization (WTO).

Unit-III : Balance of payment and exchange rate

Balance of payment meaning and its components, exchange rate determination, fixed and flexible exchange rate, balance of payments in under liberalised trade regime, Bretton Woods monetary system and its breakdown

Basic Readings:

- Ellsworth, P.T. International Economics, 1969
- Haberler G, The Theory of International Trade, 1935
- Bo-Sodersten and Geoffrey Reed, International Economics III Edition, 1994
- Salvatore, D International Economics, 1983.

BES-(P/S)-601: Public Finance

Unit-I : Meaning and Scope of Public Finance:

Public finance-Meaning and Scope –Public and Private Finance –Principles of Maximum Social Advantage –Public Goods, Private Goods, Merit Goods.

Unit-II: Principles of Taxes

Source of Public revenue Taxes Classification of Taxes-Canons of Taxation, Principles of Taxation .Ability ,Benefit and Cost of Service –Impact ,Incidence and shifting of Taxation- Major Taxes in India. Value Added Tax In India the concept of Goods And Services Tax (GST).

Unit-III : Public Expenditure and Public Debt:

Public Expenditure Meaning and Importance –Reasons For the Growth of Public Expenditure 25- Wagner’s Hypothesis, Peacock –Wiseman Hypothesis ,Canon’s of Public Expenditure – Effects of Public Expenditure. Public Debt: Meaning Types of Public Debt, Debt Redemption.

Basic Readings:

- R.A.Musgrave and PB Musgrave –Public Finance –Tata Macgrail.
- Govinda Rao and Singh –Political Economy of Federalism in India –Oxford.
- Shankar Acharya –Thirty Years of Tax Reforms in India (Article) EPW-14-05-1995.
- Bhatia HL-Public Finance –Vikas Publishing.