

**FATIMA MATA NATIONAL COLLEGE
(AUTONOMOUS)
KOLLAM**

**Syllabus for
MA Economics**

(with effect from 2015 admissions)

MA DEGREE ECONOMICS
COURSE STRUCTURE AND MARK DISTRIBUTION

Semester	Paper Code	Title of the Paper	Distribu tion of Hrs./sem ester	Instructio nal Hrs./ week (Lecture)	Durati on of ESA (Hrs.)	Maximum Marks		
						CA	ES	Total
1	15PEC11	Microeconomics I	120	7	3	30	70	100
	15PEC12	Economics of Growth and Development	110	6	3	30	70	100
	15PEC13	Indian Economic Policy I	110	6	3	30	70	100
	15PEC14	Quantitative Methods	110	6	3	30	70	100
2	15PEC21	Microeconomics II	120	7	3	30	70	100
	15PEC22	Economics of Social Sector and Environment	110	6	3	30	70	100
	15PEC23	Indian Economic Policy II(Kerala's Economy)	110	6	3	30	70	100
	15PEC24	Research Methodology and Econometrics	110	6	3	30	70	100
3	15PEC31	Macroeconomics I	120	7	3	30	70	100
	15PEC32	International Economics I	110	6	3	30	70	100
	15PEC33	Public Economics	110	6	3	30	70	100
	15PEC34	Optional I Agricultural Economics	110	6	3	30	70	100
4	15PEC41	Macroeconomics II	120	7	3	30	70	100
	15PEC42	International Economics II	110	6	3	30	70	100
	15PEC43	Finance and Capital Market	110	6	3	30	70	100
	15PEC44	Optional II Industrial Economics	110	6	3	30	70	100
	15PEC45	Dissertation						
	15PEC46	Viva – Voce						
		Total	1800					1800

Semester I

15 PEC 11 MICROECONOMICS -1

Module 1: Demand Analysis

Modern theories of demand - Compensated demand curve - Revision of demand theory - Revealed preference - Indirect utility function - Linear Expenditure system - Choice under uncertainty; Lagged adjustment in inter related markets
Cobweb theorem.

Module 2 Theory of Production and Cost Analysis

Production function - Short and long periods- Technical progress - capital and Labour deepening- Production function and factor shares- Harrod's and Hick's versions - Production function of multi product firm- Empirical production functions-Cobb- Douglas, CES, VES and translog production functions - Derivation of cost from production functions from production functions- Derived demand for factors- Traditional and modern theories of cost- Engineering cost curves.

Module 3: Price and Output determination

Perfect competition Marshall- Sraffa views- Monopoly - Short and long run equilibrium- Bilateral Monopoly- Price discrimination- Monopoly- control and regulation.

Monopolistic competition- Chamberlin model- Oligopoly- Non- collusive (Bertrand, Edgeworth, Chamberlain) Kinked demand curve- Sweezy's analysis
Excess capacity under monopolistic competition- Collusive oligopoly (Cartel and price leadership)

Workable competition- Structure, conduct and performance norms- Game

Module 4: Critique of Neo- Classical theory of firm

The basic assumptions of neo- classical theory- The Hall and Hitch Report and full cost pricing principle- Gordon's attack on marginalism- Average cost

pricing models - Bain's limit pricing- the models of Sylos- Labini-Baumol's Sales maximization- Marris model of managerial enterprise: Williamson's model of managerial discretion-The Behaviour model of Cyert and March – Bounded rationality.

BASIC READING LIST

- Kreps, David M. (1990), A Course in Microeconomic Theory, Princeton University Press, Princeton
- Koutsoyiannis A. (1979), Modern Microeconomics, (2nd Edition) Press, London.
- Layard, P.I.G. and A.W. Walters (1978), Microeconomic Theory, McGraw Hill, New York
- Gravettee and Rees, Microeconomics - Pearson Publications, New Delhi.
- Stigler.G. (1996). Theory of Price, (4th Edition), Prentice Hall of India, New Delhi.
- Varian,H. (2000) Microeconomic Analysis, W W Norton, New York.

ADDITIONAL READING LIST

Module 1

- Baumol, W. J. (1982), Economic Theory and Operations Analysis, Prentice Hall of India New Delhi.
- Hirshleifer J. and A.Glazer (1997). Price Theory and Applications, Prentice Hall of India, New Delhi.
- Baumol. W J. (1982), Economic Theory and Operations Analysis, Prentice Hall of India, New Delhi.
- Green, H.A.G (1971), Consumer Theory, Penguin, Harmondsworth.
- Henderson J.M. and R.E.Quandt (1980), Microeconomic Theory: A Mathematical Approach, McGraw Hill. New Delhi.

Module 2

- Da Costa, G.C (1980), Production Prices and Distribution, Tata McGraw Hill, New Delhi.
- Heathfield Wibe (1987), An Introduction to Cost and Production Functions, Macmillan London.
- Hirshleifer J. and A.Glazer (1997), Price Theory and Applications. Prentice Hall of India, New Delhi.

Module 3

- Archibald, G.C (Ed) (1971), Theory of the Firm, Penguin, Harmondsworth
- Baumol: Economic Theory and Operations Analysis, Prentice Hall of India
- Da Costa, G.C. (1980), Production, Prices and Distribution, Tata McGraw Hill, New Delhi.
- Hirshleifer J. and A.Glazer (1997), Price Theory and Applications, Prentice Hall of India, New Delhi.

Module 4

- Archibald G.C. (Ed.) (1971), Theory of the Firm, Penguin, Harmondsworth
- Bain, J. (1958), Barriers to New Competition, Harvard University Press, Harvard.

15 PEC 12 Economics of growth and development

Module I: Approaches to Development

The meaning of development., Measuring Development and development gap. The challenge of development economics. Perpetuation of under development. Inequality of Income- measurement of income inequality - kuznets Inverted U Hypothesis- Poverty Famine Entitlements, Food Security. Human Poverty Index. Human resource development - Migration and

Development- Todaro Model. Economic development and institutions. - Markets and Market Failure- State and State Failure. Issues of Good Governance. Sustainable development. - Human rights Approach to development.

Module 2 . Theories of economic growth

Classical - Smith, Ricardo, Marx and Schumpeter, Harrod Domar model, instability of equilibrium. Neoclassical Growth Models-Joan Robinson, Solow's Model, steady state growth, Meade, Kaldor Mirlees, Pasinetti.

Module 3 Production Function Approach To Development.

Production Function Approach to economic growth. Learning by doing. Total Factor Productivity and growth accounting. Convergence. Optimal savings and Ramsay's rule-Golden rule of Accumulation. Two sector model of Uzawa, Money in economic growth - Tobin Technical Progress - Hicks, Harrod, Endogenous growth models - Romer.

Module 4: Strategies and Sectoral aspect of development

Dualism, Fei Ranis Model, Dixit Marglin Model, Jorgenson Model, Dependency theory of development-Samir Amin, Gundar Frank , Emmanuel Wallerstein. Structural change models. Cost benefit analysis - choice of techniques - alternative technology and appropriate technology- infrastructure and development terms of trade between sectors.

Reference

1. Adelman I (1961) Theories of Economic Growth and Development. Stanford University Press Stanford
 2. Behrman and T N Srinivasan (1955) Hand Book of Development Economics. Vol 3 Elsevier Amsterdam
 3. Brown M (1966) On the Theory and Measurement of Technical Change, Cambridge university press Cambridge.
- J Behrman and T N Srinivasan (1955), Handbook of Development Economics, vol.3. Elsevier, Amsterdam.

- Chenery, H.B. et.al (Eds) (1974), Redistribution with Growth. Oxford University Press, Oxford.
- Chenery, H and T.N Srinivasan (ECs) (1989), Handbook of Development Economics, Vol. 1& 2, Elsevier, Amsterdam.
- Dasgupta. 1. (1993), An Enquiry in a well-being and Destitution. Clarendon Press, Oxford.
- Ghatak,s (1986), An introduction o Development Economics, Alien and Unwin, London.
- Gillis.M, D.H.Perkins, M.Romen and D.R,Snodgrass (1992), Economics of Development (3rdEdition). W.W Norton, New York.
- Gimmell N., (1987) Surveys in Development Economics. Blackwell, Oxford.
- Higgins, B. (1959), Economic Development, W.W.Norton. New York.
- Hogendorr, J. (1996) Economic Development Addison. Wesley, New York.
- FCahkonon. S. and M. Olson (2000) , A New-Institutional Approach to Economic Development Vistaar.
- Kindleberger C.P. (1977), Economic Development (3rd Edition), McGraw Hill, New York
- Debaraj Ray, Economic Development - Oxford University Press, New Delhi.
- Meier.G.M (1995), Leading Issues an Economic Development. (6th Edition). Oxford University Press, New Delhi.
- Myint.HIa (1965), The Economics of Underdeveloped Countries, Preager, New York.
- Myint, H. (1971), Economic Theory and Underdeveloped Countries. Oxford University Press, New York.

- Todaro M P and Stephen C. Smith (2003) Economic Development (8th Edition) Pearson Education, Delhi.
- Thirwal, A P (1999), (6th Edition), Growth and Development. Macmillan, U.K.

ADDITIONAL READING LIST

Module 1

1. Dasgupta. P. (1993). An Enquiry into well-being and Destitution. Clarendon Press, Oxford.
2. Hirschman. A.O. (1958). The strategy of Economic Development. Yale University Press, New York.
3. Lewis. W.A.. (1955). The Theory of Economic Growth. George Allen & Unwin London.
4. Malhotra and J. Richard (1995) Development with a Human Face. OUP New Delhi.
5. Meir G.M. & Seers (ed) (2000) Pioneers in Development OUP, New York.
6. Meir A M & Rauch. J.E. Leading Issues in Economic Development.
7. Myrdal (1952): Economic Theory and Underdeveloped Regions. Ducky
8. Todaro M. P. (1996): Economic Development. Longman, London, (6th Edition
9. Thirlwal A P (2003) Growth & Development Macmillan
10. UNDP (1994). Human Development Report United Nations New York.
11. UNDP (1997). Human Development Report. United Nations New York
12. UNDP (2001) Human Development Report. United Nations New York
13. World Bank (2000) World Development Report 2000/2001 Attacking Poverty OUP New York.

Module 2

- Jones H.G. (1976): An Introduction to Modern Theories of growth and Development Mc Graw Hill 1976

- Meir and Baldwin : Development Theory History and Policy Chapter 3 to 5.
- Debaraj Ray 1998): Development Economics Chapter 3, Oxford University Delhi.
- Sen A.K. (ed) (1990) Growth Economics Penguin.
- Thirlwal A.P. (2003). Growth and Development (7th ed) Macmillan U.K.
- Solow R.M. (2000); Growth Theory. An Exposition, OUP.

Module 3

1. Barrel R.G. Mason & M.C Mahoaey (2000): Productivity, Innovation Economic Performance. Cambridge University Press. Cambridge.
2. Barrow. R & X .Sela-1 Martin. Economic Growth. McGraw Hill, New York.
3. Chakravariar S.(1982) Alternative Approaches to the Theory of Economical OUP, New Delhi.
4. Hayamin.(1997). Development Economics OUP. New York.
5. Meadows D.H. et.al. (1972): Limits to Growth Universe Books. New York.
6. Sen A.K. (ed) (1990) Growth Economics Penguin.
7. Taylor.G. L.C (1979) Macro Models for Developing Countries. McGraw Hill, York.
8. Solow R.M (2000) Growth Theory : An Exposition pUP,
9. Therberge J.D. et. al. (1968). Economics of Trade and Development, JohnWiley New York
10. Thirlwal A.P. (2003), Growth & Development 7th ed. Macniillan
11. Debaraj Ray (1998). Development Economics. Oxford University Press, Delhi.

Module 4

1. Campbell, N and F Burton (Eds) (1995), Japanese Multinationals, Routledge York.

2. Dasgupta A.K. Sen Marglin (1972) Guidelines for Project Evaluation
UNIDO Vienna.

15PEC13 INDIAN ECONOMIC POLICY PAPER I

Module I: Framework of Indian Economy

- 1.1 Economic policy: Introduction, Meaning & importance.
- 1.2 National income: Trends and Structure.
- 1.3 Demographic features of India - Indian Population Policy- Indicators of Economic Development & Growth - Rural-Urban migration
- 1.4 Poverty & Inequality: Nature, policy & implications.
- 1.5 Employment & Unemployment: Nature - Central and State Government's policies - Policy implications.

Module II: Development Strategies in India

- 2.1. Development Strategies before 1990s - Mixed Economic Frame work.
- 2.2. Economic Reforms-Rationale of Economic Reforms- Liberalization, Privatization and Globalization of the economy.
- 2.3. Role of Public Sector : Redefining the role of public sector - Government policy towards Public sector- problems associated with privatization - Role of MNCs - FDI and FII
- 2.4. Assessment of Economic Reforms.

Module III. The Economic Policy and Infrastructure Development

- 3.1. Energy and Transport
- 3.2. Social Infrastructure - Education and Health.
- 3.3. Issues and policies in financing infrastructure Development. .

3.4. Indian Financial System- Price Movements in India- Financial Sector Reforms in India.

Module IV: Agriculture and Industrial sector policies

4.1. Agriculture: Pricing- Marketing and financial policies since 1980s - WTO, RTA and Indian agriculture.

4.2. Industrial Sector: Growth, Pattern during pre & post reform periods – Industrial Policies in India since 1948- Small Scale Industries in India.

4.3. Labour Market-Policies and issues in Labour Market-Reforms & Approaches to Employment Generation.

BASIC READING LIST

1. Ahluwalia.I.J. and I.M.D. Little 1999. India's Economic Reforms and Development. (Essays in Honor of Manmohan Singh), Oxford University Press.
2. Bardhan P.J.C (9th Edition, 1999) The Political Economy of Development in India. , Oxford University Press, New Delhi.
3. Bawa R.S. and P.S. Raikhey (Ed.1977). Structural Changes in Indian Economy, Guru Nanak Dev University Press, Amritsar.
4. Brahmananda PR and V.A. Panchmukhi (Ed.2001), Development Experience in Indian Economy,-Inter-State Perspectives, Bookwell, Delhi.
5. Chakravariti, S. (1987). Development Planning; The Indian Experience, Oxford University Press New Delhi.
6. Gupta, S.P. (1989), Planning and Development in India; A Critique, Allied Publishers, Private Limited, New Delhi.

7. Krishnamachari, V.T. (1962); Fundamental of Planning in India, Orient Longmans, Bombay.
8. Bhagwati, Jagdish(2004); In Defense of Globalization, Oxford University Press U.K. ILO(2004)
9. Fair Globalization, Creating Opportunities for All, Report of the World Commission on the Social Dimension of Globalization.
10. Tidsell, Clem and Sen, Raj Kumar (Ed) (2004) Economic Globalization, Government of India, Economic Surveys
11. Bhattacharya, Aditya and Marzit, Sugata(Eds.2004),Globalization and Developing Economies; Theory and Evidence, Manohar, New Delhi
12. Jha Raghendra (Ed.2003); Indian Economic Reforms, Hampshire, U.K.
13. Bajpai, Nirupam and Jeffrey, D.Sachs(2000) Fiscal Policy in India's Economic Reforms (Included India in the Era of Economic Reforms, Edited by Sachs, Varshney and Baijpai) Oxford University Press, New Delhi.
14. Chug, Ram L. and Uppal.J.S. (1985) Black Income in India, Tata McGraw Hill N Sage Publication, New Delhi.

15 PEC 14 QUANTITATIVE METHODS

MODULE I MATRIX ALGEBRA

Evaluation of higher order Determinant- -minors and cofactor, Laplace method, bordered Hessian determinant, Solution of simultaneous equations '-Cramer's

rule and inverse method, Rank of a matrix, uses of matrices- Input- output models(static and dynamic).

MODULE II LINEAR PROGRAMMING (LP) AND GAME THEORY

Characteristics of LP problem. Formulation of LPP, concepts of LP solutions. Basic theorem of LP, solution of LPP by graphical and simplex methods. Duality and dual theorems. Uses of dual LPP and shadow prices. Game Theory- Basic concepts. Two person zero sum and constant sum games, saddle point solution, simple and mixed strategies. Dominance rule.

MODULE III DIFFERENTIAL AND INTEGRAL CALCULAS

Derivatives of multivariable functions, unconstrained and constrained optimization (Lagrange method), uses of derivatives in economics- equilibrium of the consumer and the firm, market equilibrium models - monopoly and discriminating monopoly. Rules of Integration, definite integrals and their properties. Uses of integrals In Economics- stock of capital, consumer's and producer's surplus.

MODULE IV DIFFERENTIAL AND DIFFERENCE EQUATIONS

Concept of differential equations, First order linear differential equations and their solutions. Concept of difference equations, solution of first order linear difference equations. Uses of differential and difference equations In economics- dynamic stability, lagged income determination model, Harrod and Cobweb models.

Reference

1. Allan. R.G.D.(2008). Mathematical Analysis for Economics, AITBS Publishers, Delhi.
2. Aggarwal, B.M. (2010), Business Mathematics and Statistics, Ane Books, New Delhi.
3. Baumol, W J,(1997), Economic theory and operations Analysis, Prentice Hall, New Delhi.

4. Chiang, A.C, Fundamental Methods of Mathematical Economics, , McGraw Hill Education (India) Private Limited
5. Dowling, E.T.(2011), Introduction to mathematical Economics, Schaum's Outline Series, McGraw Hill, New Delhi.
6. Deepak Chatterjee (2006), Linear Programming and Game theory. Prentice Hall, New Delhi.
7. Mathur, .N and R Bharadwaj (Eds), (1967), Economic Analysis in Input Output Research, Input Output Research Association of India, Pune.
8. Michael Hoy, etal,(2004). Mathematics for Economics, PHI, New Delhi
9. Miller. R.E. and P.D. Blair,(1985), Input Output analysis: Foundations and extensions. Prentice hall. New Jersey.
- 10.Taha HA (2008), Operations Research- An introduction. Prentice hall of India, New Delhi
- 11.Taro Yamane (2009), Mathematics for Economists, PHI, New Delhi.

Semester II

15 PEC 21 MICROECONOMICS Paper II

Module I: Distribution

Marginal productivity theory - Euler's theorem and adding up problem, Limitations of marginal productivity theory. Macro theories of distribution - Ricardian, Marxian, Kaleckian and Kaidor's.

Module 2: General Equilibrium and Welfare Economics

Meaning of partial and general equilibrium - Walrasian 2x2x2 model critique of general equilibrium - theory of non-tatonement process - Arrow and Debreu Social Welfare function - The Pareto - Optimality criterion - The Kaldor - Hicks compensation criterion - Theory of second best - Arrows impossibility theorem - Rawl's theory of justice - equity- efficiency trade off.

Externalities - Consumption and Production externalities - Externalities and efficiency-The tragedy of commons - Externalities and Public goods.

Module 3 : Economics of uncertainty

Individual behaviour towards risk -expected utility and certainty equivalence - measure of risk and risk aversion - sensitivity analysis - Economics of insurance - cost and risks - risk pooling and risk spreading. Optimal consumption under uncertainty - The economics of search - different models - Market with imperfect asymmetric information search - Quality - uncertainty and the market for Lemons

- Akerlof's analysis - Moral Hazards - The principal - Agent problems
- Asymmetric information and Labour markets.

BASIC READING LIST

1. Kreps, David M. (1990), A Course in Microeconomic Theory, Princeton University Press, Princeton.
2. Koutsoyiannis.A (1979), Modern Microeconomics. - (2nd Edition), Macmillan Press, London.
3. Layard P.J. G. and. A.W. Walters (1975), Micro Economic Theory McGraw Hill, New York.
4. Stigler G. (1996) Theory of Price (4th Edition), Prentice Hal of India, New Delhi.
5. Varian H, (2000) Micro Economic Analysis W.W.Norton, New York.
6. Gravette and Rees Micro Economics Pearson Publication, New Delhi.

ADDITIONAL READING LIST

Module 1

- Bronfenbrenner M. (1979) Income Distribution Theory, Macmillan, London.
- Hirshleifer J and A. Glazer (1997) Price theory and applications, Prentice Hall of India, New Delhi.

Module 2

- Broadway. R.W and N. Bruce (1984) Welfare Economics, Basil Blackwell, London.
- Graaff, J. Dev. (1957) Theoretical Welfare Economics Cambridge University Press, Cambridge.
- Henderson J.M., and R.E. Quandt (1980), Microeconomic Theory: A mathematical Approach, McGraw Hill, New Delhi.
- Mishan. E (1969), Welfare Economics An Assessment, North Holland, Amsterdam.
- Da Costa, G.C (1980), Production Prices and Distribution, Tata McGraw Hill, New Delhi.
- Green, H. and V. Wash,(1975). Classical and Neo-Classical Theories of General Equilibrium, Oxford University Press, London
- Hansen B'(1970), A survey of General Equilibrium Systems, McGraw Hill, New York.
- Henderson J.M. and R.E.Quandt '(1980), Microeconomic Theory: A Mathematical Approach, McGraw Hill. New Delhi.
- Quirk J. and R. Saposnik (1968) Introduction to General Equilibrium Theory and Welfare Economics, McGraw Hill New York.
- Weintraub, R.R. (1974) General Equilibrium Theory, Macmillan, London.

Module-3

- Arrow.K and MD Inrilligater (Eds) (1981) Handbook of Mathematical Economics, Vol.1, North Holland, Amsterdam.

- Borch.K P (1968) the Economics of Uncertainty, Princeton University Press, Princeton.
- Diamond and Rothschild (Eds) (1978), Uncertainty in Economics, Academic Press, New York.
- Hirshleifer J and A. Glazer (1997) Price theory and applications, Prentice Hall of India, New Delhi.
- H.R Varian (1987), Intermediate Microeconomics (4th Edition) East-west Press, New Delhi.
- Robert Pindyck and Daniel L Rubinfeld (2002)- Microeconomics (Vth edition) Pearson Education, Private Limited, New Delhi.
- Gravette and Rees Micro Economics Pearson Publication, New Delhi.

15 PEC 22 ECONOMICS OF SOCIAL SECTOR AND ENVIRONMENT

Module 1: Economics of Education and Health

Education as an instrument for economic growth - Human capital - Human Physical capital Components of human capital: Demand for education demand and social demand. Determinants of demand. Cost of education on education, private-costs and social costs and wastage and stagnation, education - direct and indirect benefits private, and social benefits: planning and economic growth - cost benefit analysis. Health dimensions of development determinants of health - poverty, and environmental issues. Economic dimensions of health care - demand of health care - Inequalities in health - class and gender perspectives.

Module 2: Measurement of Environmental values

USC values option values and non-uc values; valuation methods- Method observed market behaviour, Hedoncproperty values and household models (trave cost method and house hold health production function), Meth on response to hypothetical markets, contingent valuation methods.

Module 3: The Theory of Environmental policy

Environmental externalities - pigovia taxes and subsidies marketable permits and mixed instruments (the charges and standards approach bargaining solution and collective action Informal regulation arid the never pollution control. Monitoring and enforcement of environmental Environmental institutions and grass root movements; global Environmental externalities and climate change - Trouble pollution permits and internation tax trade and Environment in WTO regime.

Module 4: Economic of Nation Resource Management and Development

Theories of optimal use of exhaustible and renewable resources; Environment development trade off and the concept of sustainable development environmental and economic accounting and the measurement of Environment corrected GDP. Macro economic policies and environment.

BASIC READING LIST

- Besman, P (Ed) (1995). Health Sector Reform in Developing Countries: Making Hralth Development Sustainable, Eoston : Harvard Series on Population and International Health.
- Bkerq,M. (1972), Introduction to Economics of Education, Penguin, London.
- Bromerly D.W.(Ed-) (1995). Handbook of Environmental Economics. Blackwell, London.

- Cohn.E. and T.Gaske (1989), Economics of Education, Pergamon Press, London.
- Fishes.A.C. (1981), Resource and Environmental Economics. Cambridge University Press, Cambridge.
- Hanley.N. J.F.Shogern and B.White (1997), Environmental Economics in Theory and Practice, Mcmillan.
- Hussen,A. M (1999), Principles of Environmental Economics, Routledge, London.
- Jeroen.C.J M. van den Bergh (1999), Handbook of Environmental and Resource Economic;, Edward Elgar Publishing Ltd. U.K.
- Klasman, IE (1965), The Economics of Health, Columbia University Press, New York.
- Kolstad.C.3. (1999), Environmental Economics, Oxford University Press. New Delhi.
- Pearce,D.V and R.Turner (199), Economics -of,'Natural > Resource Use and Environment, John Hopkins, University Press, Battimore.
- Perrnan R.M and J. McGilvary (1996), Natural Resource and Environmental Economic, Longmen, London.
- Shankar,U (Ed.) (2001), Environmental Economics. Oxford University Press, New Delhi
- Schultz. T. V (1971). Investment in Human Capital, Free Press, New York.
- Tietenberg T. (2004) (6th Edition) Environmental and Natural Resource Economics, Pearson. Education, Delhi.

ADDITIONAL READING LIST

1. Beeker,G.S H974V Human Capital (2nd Edition). National Bureau of Economic Research, New York.
2. McMohan, W'.W. (1999), Education and Development. Measuring the social Benefits Oxford University Press, Oxford.

3. Padmanabhan C.B (1984), Financial Management in Education. Select Books, New Delhi
4. Tilak.J.B.C . (1994) Education for Development in Asia, Sage Publications, New Delhi.
5. VaizeyJ. (1962) Economics of Education Faber and Faber, London.
6. Woodhall M (1992) Cost Benefit Analysis in Education planning UNESCO Paris.
7. Baru.R.V (3998), Private Health (are n India: Social Characteristics and Trends. Sage Publications, New Delhi
8. Berman and M.E.Khan (1993) - paying for Indias Health care publications, New Delhi.
9. Panchamakhi, P.R (1980), Economics of Health: A Trend Report in 1C Survey of Research in Economics Vd. VI, Infrastructure, Allied, Delhi.
10. World Bank (1993): The World Development Report, Investing in Health, University Press, New York.
11. Hanley,N (1997) Environmental Economics in Theory and Practice, Mac London.
12. Mitchell, R.C and R.T.Carson (1998), Using surveys to value public Resource for the Future Washington .
13. Smith,V Kerry (1996), Estimating Economics values for Nature Methods for Market Valuation Edward Elger, cheenhan,U.K
14. Ckopra,K (1998), Valuation of Bio-Diversity within Protected Areas: Alter Approaches and a Case Study. Instruct of Economics Growth,Delhi.
15. . Hadkar.Net.aI. (1997), Willing to pay for Bonvili National Park: Evidence Contingent Valuation Ecological Economics, Vol.21.
16. Markandya,A and M.N..Mucty (2000), Cleaning up the Ganges: Cost Analysis of Ganga Action Plan, Oxford University Press, New Delhi.

17. Baland, J and J.P. Plateau (1994) *Elating Degradation of Natural Resource There a Role for Rural Communities*, Oxford University Press, Oxford.
18. Hoel, M. (1997), *International Coordination of Environmental Polices Dimensions in the Economics Theory of Environment*, Carrao car Dimension Siniscalco (EDS.) Cambridge University Press, Cambridge.
19. Larsen, B- and A. Shaw (1994), *Global Tradable Carbon Permits, Paretic Incentive and Transfers*, Oxford Economics Papers, Vol.46.
20. Ostrom, E (1990), *Governing the Commons: The Evolution of Institution Collective Actions*, Cambridge University Press, Combridge,
21. Whalley, J and R. Wigle (1997), *The International Incidence of Carbon Tax Tietenber T.(Ed.) Economics of Global Warming*, 1997, Edward Elgar, U.R
22. Chopra, K. G.K. Kadekodi and M.F. Murty (1990), *Participatory Development An approach to the managcrnenl of Common Property Resources*, SAGE Delhi.
23. Mehata, S. S.Mundle and U.Sankar (1995), *Controlling Pollution Incentive Regulation*, SAGE, New Dalhi.

15 PEC 23 INDIAN ECONOMIC POLICY II

KERALA ECONOMY

Module 1: Economic Growth and Structural Change

Kerala's economy at the eve of the formation of the State - Economic growth and structural change of Kerala's economy since the formation of the state - Kerala Model of Development and other hypothesis on development - Economic policies since 1991 - Decentralized planning – Performance and problems.

Module 2: Agriculture

Agricultural performance during the pre and post-liberalization period (since 1988) Growth of agricultural sector- Land use pattern - Production and productivity of major crops- Changes in the cropping pattern- Agricultural pricing - Labour shortage and changing relations since 1970-WTO agreements on agriculture.

Module 3: Industry

Industrial growth during the pre and post-liberalization period (since 1988) Traditional industries such as coir, cashew and Handloom- Modern Small industries-Industrial policy of 1991 and its impact on industrial investment-Employment generations and growth- Performance of public sector undertakings –Information Technology.

Module 4: Infrastructure and Services

Development of service sector during pre and post liberalization period (since 1988) Development of infrastructure - Power, Road, Railway, Water and Air transport- Development of Tourism- Commerce-Banking-Social Infrastructure: Health and Education- Kerala's foreign trade.

Module 5: Employment, Unemployment and Poverty

Structure, Trends and characteristics of rural-urban employment and unemployment- Educated unemployment-Changing trends in

urban and rural poverty- Employment Generation and Poverty Alleviation Programs, HGNRL

Module 6: Migration

Trends and pattern of migration to other parts of India and abroad- Emigration to Gulf: Characteristics of emigrants-process of emigration- problems of emigration- return emigration- problems of returned emigrants-Foreign remittances –economic importance of emigration.

Module 7: State Finance

Fiscal policy and fiscal performance - Trends in revenue and expenditure - fiscal deficits and public debt

BASIC READING LIST

- National council of Applied Economic Research (1962), Economic Survey of Kerala, NCAER, New Delhi.
- Centre for Development Studies: Poverty Unemployment and development policy, Orient Longman, Bombay.
- B.A.Prakash (Ed) 1994. Kerala's economy, Sage Publications, New Delhi.
- B.A.Prakash (Ed.) 2004, Kerala's Economic Development: Performance and Problems in the Post-Liberalisation period, Sage Publications, New Delhi.
- P.P.Pillai, 1994, Kerala Economic Four Decades of Development, John Mathai Foundation Trichur.

- M.A.Oomen 1993, Essays on Kerala's Economy,. Oxford and IBH.
- K.C.Zachariah, K.P.Kannan and S. Irudaya Rajan (Ed) 2002. Kerala's Gulf Connection C.D.S, Thiruvananthapuram.

ADDITIONAL READING LIST

- M.A.Oomen (Ed) (1999) Rethinking Development: Kerala's Development Experience.
- B.A.Prakash (Ed) 1999, Kerala's Economic Development: Issues and Problems, Sage Publications. New Delhi.
- E.T.Mathew 1997, Employment and Unemployment in Kerala , Sage Publications, New Delhi
- K.K.George, 1993, Limits to Kerala Model of Development, C.D.S Thiruvananthapuram.
- K.C. Zachariah ET Mathew and Irudaya Rajan, (2003), Dynamics of Migration in Kerala, Orient Longman, New Delhi.
- Government Kerala (2001) White paper on State Finance, Govt of Kerala, Thiruvananthapuram.
- NCAER (2001) South India; Human Development Report, Oxford University Press, New Delhi.
- A.K.G Centre for Research and studies (1994) International Congress on Kerala Studies, Abstracts of paper, 5 volumes AKG Centre, Thiruvananthapuram.

- Institute of Social Sciences (1996) International Conference on Kerala's Development Experience, Abstracts of papers, Institute of social sciences New Delhi.

15 PEC 24 RESEARCH METHODOLOGY AND ECONOMETRICS

MODULE I RESEARCH METHODOLOGY

Meaning, purpose and scope of Social science Research, Types of research, Research process formulation of research problem, setting objectives and hypotheses, collection and analysis of data, Hypothesis testing and drawing conclusions. Report Writing and Lay out of the research Report.

MODULE II STATISTICAL METHODS

Methods of Sampling, Parameters and statistics, Sampling distribution of mean. Standard error, Z, t', F, and X² distributions. Hypothesis-meaning and types. Type I and Type II errors, confidence interval, procedure of testing Hypotheses, Z, t, F, and X² tests.

MODULE III ECONOMETRIC METHODS

Methodology of econometric research, simple and general linear econometric models- assumptions, estimation of parameters, mean and variance of estimates, testing the significance of estimates (R²

and adjusted R², t test and F test with ANOVA), prediction with the estimated model. Gauss- Markov Theorem. Estimation of demand, cost and production functions. Log linear models and estimation of elasticities rates.

MODULE IV ECONOMETRIC PROBLEMS

Heteroscedasticity, Autocorrelation and Multicollinearity- Reasons, consequences, detection and remedial measures of these problems.

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- S.J. Deshmukh, (2012), E- Research Methodology, SreeNivas Publishers, New Delhi.
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- C.R, Kothari.(2012). Research Methodology, S.Chand, New Delhi.

- P.K. Majumdar (2011), Research Methods in Social Sciences, Viva Books, New Delhi.
- B.C. Mehta and Kranti, Kapoor (2005), Fundamentals of Econometrics, Himalaya Publishers, New Delhi.
- Nachane, Dilip M (2006), Econometrics: Theoretical Foundations and Empirical Perspectives, Oxford University Press, New Delhi.
- Rowena, Murray (2010), How to Write a Thesis, Tata McGraw Hill, New Delhi.
- J.K. Sharrna, {2011), Quantitative Techniques in Management, Macmillan, New delhi.
- Kothari, C.R (2011), Quantitative Techniques, Vikas Publishing, New Delhi
- Musthafi, C.K.(2011), Operations Research: Methods and Practice, Wiley Eastern, New Delhi.
- Gupta S.C. and V,K. Kapoor (2011), Fundamentals of Applied Statistics, S. Chand, New Delhi
- Yatcs, Frank, Sampling methods for Census and Surveys, Charles, Griffin, Co., London.

Semester 3

15PEC31 Macroeconomics 1

Module: 1 Neo-Classical and Keynesian Synthesis

The IS-LM model; Extensions of IS-LM model with government sector; Relative effectiveness of monetary and fiscal policies; Extension of IS-LM models with labour market and flexible prices - Unemployment and labour market - Three sector macro model - Keynesian and Neo-classical versions.

Module: 2 Consumption and Investment Function

Keynes Psychological law of consumption - consumption function puzzle - Income consumption relationship - Absolute Income, Relative Income, Life Cycle and Permanent Income Hypotheses - Investment demand; Neo-classical, Keynesian, Post Keynesian and Neo-Keynesian theories of investment - Lags in Investment demand - Accelerator theory of Investment- Capital Stock Adjustment Principle - Interaction of Accelerator and Multiplier- Financial theory of investment determination

Module: 3 Demand and Supply of Money

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

Financial intermediation - a mechanistic model of bank deposit determination; A behavioural model of money supply determination, a demand determined money supply process- Money Multiplier.

Module: 4 Macro Economics in an open economy

ISLM analysis for an open economy - Balance of payments and Keynesian analysis - external balance and prices - money capital flows and open economy- Mundell Fleming Keynesian model - Asset market expectations and exchange rate - Monetary approach to balance of payments.

Reading List

1. Gardner, Ackley (1989) Macro Economics: Theory and Policy, Collier Macmillian.
2. Gregory Mankiv (2010) Macro Economics, 7th edition. Worth Publishers.
3. Dornbusch and Fischer and Startz (2007) 7th edition, "Macroeconomics", McGrawhill.
4. Andrew Abel and Ben Bemanke "Macroeconomics", (2010), 41 ed Pearsonjndian Ed
5. Lefteris Tsoulfidis (2010), Competing Schools of Economic Thought, Springer.
6. Levacic R and A.Rebman (2006): Macro Economics, ELBS and MacMillian.
7. Richard T.Froyen "Macroeconomics¹"- 2008), Pearson Indian Ed

8. Brian Snowdon, Howard Vane and Peter Wynarczyk (2002); A modern Guide to Macro Economics: An introduction to competing schools of thought, Edward Elgar.
9. Kamran Dadkhah (2010): The Evolution of Macro Economic Theory and policy, Springer,

Additional Reading List

Module: 1

1. Hicks J.R (1937) Mr Keynes and the Classics: A Suggested Interpretations, *Econometrica*, April.
2. Branson W.A (1989), *Macro Economic Theory and Policy*, 3rd ed, Harper and Row, New York.

Module: 2

1. Rudiger Dornbusch and Stanley Fischer and Richard Startz (2007) 7th ed, "Macroeconomics", McGrawhill.
2. Surrey, M J C. *Macroeconomic Themes: Edited Readings in Macroeconomics with commentaries*, Eondon: Oxford University Press, 1976.
3. A.J. Westaway and T.G.Weyman Johnes (1978): *Macro Economics, Theory Evidence and Policy*, Longman.
4. Culbertson, J.M. (1978), *Macroeconomic Theory and Stabilization Policy*, McGraw Hill,
5. Fred.R.Glahe (1985) *Macro Economics: Theory and Policy*
6. M.Farrel (1966) *New Theories of Consumption Function*, *Readings in Macro Economics* ed by Muller.

Module: 3

1. Laidler, D.E.W. (1977), Demand for Money : Theory and Evidence, Dum-Don Valley, New York.
2. Mckinen, G.E. (1978), Money. The Price Level and Interest Rates, Prentice Hall of India, New Delhi.
3. Friedman, M. (1956), Studies in the Quantity Theory of Money, The University of Chicago Press, Chicago.

Module: 4

1. Gordon, R. and S.G. Harris (1998), Macroeconomics, Addison Wesley .Massachusetts
2. Mankiw, N.G. and D. Romer (Eds.) (1991), New Keynesian Economics, (2vols.), MIT Press, Cambridge.
3. D. Frishcr (1978), Monetary theory and the Demand for Money, Martin Robertson.
4. Dombush.R. (1980), Open Economy Macro Economics, basic books

Frankel J and Johnson H.G (1976), Monetary Approach to Balance of Payments.

15PEC32 INTERNATIONAL ECONOMICS I

Module 1: Theories of International Trade

Genesis of Trade – Theories of Foreign trade before Adam Smith – Mercantilism and Bullionism – Physiocracy – Classical and Neo-classical Theories of International trade – Theories of Absolute Advantage; Comparative advantage and Opportunity Costs – Community Indifference Curve – derivation of Offer curve – Terms of Trade, different Concepts of Terms of Trade – empirical testing of theories of Absolute Cost and Comparative Cost – Modern Theories of International Trade – Heckscher-Ohlin Theory of Trade –

Empirical Testing of H-O Model – Leontief Paradox – Factor Price Equalization Theorem – Factor Intensity Reversals – Kravis and Linder Theory of Trade – The Rybczynski Theorem – Technology Difference Models – Imitation Gap Theories of Trade – Product Cycle Theories of Trade – Intra-industry Trade – The Neo Heckscher-Ohlin Model – Neo Chamberlinian Models – Trade Models based on Imperfect Competition – Oligopolistic Models – Helpman Krugman Models – Brander-Krugman Models – The Reciprocal dumping Model – Empirical work on Intra-industry Trade.

Module 2: Trade Policy

Free Trade – Arguments for and against Free Trade – Protection - Arguments for and against Protection – Infant Industry Argument for Protection – Tariffs – Types of Tariffs – Effects of tariffs – Partial and General Equilibrium Approach – Optimum Tariffs – Effects of Tariffs – Import Quotas – Effects of Quotas – Equivalence of Tariffs and Quotas – Tariffs and Real Rewards to Factors of Production – The Stolper-Samuelson Theorem – The Metzler Paradox – The Lerner-Symmetry Theorem – Trade Policy and Distortions in Domestic Markets – Trade Policy and Imperfect Competitions – The Falvey – Neo Heckscher-Ohlin Model – The Neo- Chamberlin Model – The Lancaster and Neo – Hotelling Model – Tariffs and Monopolies – Tariffs, Subsidies and Duopoly.

Non-traded Goods – Dutch disease – Trade in Intermediate goods – Effective Tariffs, Effective Protection – Trade in Services.

Political Economy of Protection

Political Economy of Protection- Lobbying – The Choice of Protective Instrument – Anti-dumping Legislation – Rent Seeking – Empirical Work on Political Economy of Protection – Economic Integration – different Types of Integration- Customs Union – Partial Equilibrium Effects of customs Union – Trade Creation and Trade

Diversion – Welfare Effects – General Equilibrium Analysis of Customs Union – Empirical Findings.

Module 3 Theory Regional Blocks

Forms of Economic Cooperation – Reforms for the Emergence of Trading Blocks at the Global Level – 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.

Module 4 Trade and Development

Effects of Economic Growth on Trade – Export Pessimism versus Export Optimism – Prebisch-Singer-Myrdal Versions – Empirical Testing of the Export Pessimism Import Substitution versus Export promotion – Controls on Foreign Trade – Empirical Evidence on Trade Orientation and Development

References

Module 1

- Chris R. Milner and David Greenaway: An Introduction to International Economics, Longman Group Ltd., London: 1979.
- Jacob Viner: Studies in the Theory of International Trade, George Allen & Unwin Ltd., London: 1964
- Robert A. Isaac: International Political Economy: Managing World Economic Change, Prentice Hall, Englewood Cliffs, New Jersey: 1991
- David Greenaway: Economic Development and International Trade, Macmillan. London: 1988
- Arthur Irving Bloomfield: Essays in the History of International Trade Theory, Edward Elgar Publishing, England: 1994
- Bo Sodersten and Geoffrey Reed: International Economics; The Macmillan Press Ltd London: 1994
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- Mikic Mia: International Trade, The Macmillan Press Ltd London: 1998
- Paul R. Krugman & Maurice Obstfeld: International Economics: Theory and Practice, Pearson Education Pvt. Ltd, Indian branch, New Delhi: 2004
- Richard E Caves; Jeffrey A. Frankel; & Ronald W. Jones: World Trade and Payments: An Introduction, Pearson Education Pvt. Ltd, Indian branch, New Delhi: 2002

Module 2

- Bo Sodersten and Geoffrey Reed: International Economics, The Macmillan Press Ltd London: 1994
- H. G. Mannur: International Economics, Vikas Publishing House; New Delhi: 1995
- Jagdish N. Bhagwati: Protectionism, MIT Press; Cambridge, Massachusetts, US: 1988
- W. M. Corden: Trade Policy and Economic Welfare, Clarendon Press; Oxford: 1974
- John H. Jackson: The World Trading System, MIT Press; Cambridge, Massachusetts: 1988

Module 3

- Aggarwal M. R.: Regional Economic co-operation in South Asia, S. Chand; New Delhi: 1979
- Brahmananda P. R. The IMF Loan and India's Economic Future, Himalaya Publishing House, Bombay: 1982
- Grable J. O.: International Financial Markets, Englewood Cliffs, New York: 1996
- Peter Kenen: Economic and Monetary Union in Europe: Moving beyond Maastricht, Cambridge University Press, UK: 1995
- Charles P. Kindleberger: Manias, Panics and Crashes: A History of Financial Crisis, John Wiley and Sons, New York: 1996
- Manmohan Singh: India's Export trends and the Prospects for Self Sustained Growth, Oxford University Press: New Delhi: 1964

- Panchmukhi V. R.: Trade Policies of India: A Quantitative Analysis, Concept Publishing Company, New Delhi: 1978
- R. Solomon: International Monetary System 1945 – 1981, Harper & Row; New York: 1982
- Tew B. The Evaluation of the International Monetary System 1945 – 1985, Hutchinson, London: 1985
- John Whalley: Trade Liberalization among Major World Trading Areas, MIT Press; Cambridge, Massachusetts: 1985

Module 4

- Bo Sodersten and Geoffrey Reed: International Economics; The Macmillan Press Ltd London: 1994
- Raul Prebisch: The Economic Development of Latin America and its Principle Problems, UN, New York: 1950
- H. W. Singer: The Distribution of Gains between Investing and borrowing countries, American Economic Review Vol. 40, No. 2: 1950
- Gunnar Myrdal: Economic Theory and Underdeveloped Regions, Duckworth, London: 1957

15 PEC 33 PUBLIC ECONOMICS

PREAMBLE

Role and functions of the Government in an economy have been changing with the passage of time. The term 'Public Finance'¹ has traditionally been applied to the package of these policies and operations which involve the use of tax and expenditure measure while budgetary policy is an important part to understand the basic problems of use of resources, distribution of income, etc. There are vast array of fiscal institutions tax systems, expenditure programmes, budgetary procedures, stabilization instruments, debt issues levels of government, etc., which raise a spectrum of issues arising from the operation of these institutions. Further, the existence of externalities, concern for adjustment in¹ the distribution of income and wealth, etc. require political processes for their solution in a manner which combines individual freedom and justice. This paper combines a

thorough understanding of fiscal institutions with a careful analysis of the issues which underline budgetary policies in general and Indian experience in particular.

Module 1 : Introduction (10 Hrs.)

Role of Government in organized societies Changing, perspective - government in a mixed economy public and private sector, cooperation or competition; Government as 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 - imperfections, decreasing costs, externalities, public goods; Uncertainty and non-existence of futures markets; informational asymmetry - Theory of second best

Module 2: Public Choice (10 hrs:)

Private and public mechanism for allocating resources; Problems for allocating resources; Problems of preference-revelation and aggregation of preferences; Voting systems; Arrow impossibility theorem An economic theory of democracy; Politico-eco-bureaucracy; Rent seeking and directly unproductive profit seeking (DUP) activities.

Module 3: Rationale for Public Policy (15 Hrs.)

Allocation of resources - provision of public goods; Voluntary exchange models; Impossibility of decentralized schemes for public goods - Contributions of Clarks, Groves and Eyard, Tiebout mode theory of club goods. Uncertainty : and expectations; failure of inter-tempora markets; Liquidity preference; Social goals Poverty alleviation Provision of infrastructure! facilities removing distributional.

Module 4: Public Expenditure (15 hrs)

Wagner's law of increasing state activities Wiesman - Peacock hypothesis theory of public expenditure; Structure and growth of public expenditure; Criteria public investment; Social cost-benefit analysis - Project evaluation, Estimation costs, discount rate; reforms in expenditure budgeting; Programme budgeting and base budgeting

Module 5 : Taxation (15 hrs)

Theory of incidence alternative concepts of incidence - Allocative and equity as of individual taxes; Benefit and ability to pay approaches; Theory of optimal taxation Excess burden of taxes; Trade of between equity and efficiency Theory measurement of dead weight losses, The problem of double taxation.

Module 6 : Public Debt (15 hrs)

Classical view of public debt; compulsory aspect-of debt policy Burden of debt; Sources of public debt Debt through created money; Public borrowing price level Crowding out of private investment an activity; Principles of management and repayment.

Module 7: Fiscal Policy (10 hrs)

Objectives of fiscal policy - full employment anti-inflation, economic growth redistribution .of income and wealth; independence of fiscal and monetary policy Budgetary deficits and its implications, Fiscal policy for stabilization - automatic ccretionary stabilization; Alternative measures of resource mobilization and impact on growth distribution and prices; Balanced budget multiplier.

Module 8 : Fiscal Federalism (19 Hrs.)

Principles of multi-unit finance; Fiscal federalism in India; Vertical and horizontal imbalance; A signment of function and sources of revenue; Constitutional provision Finance Commission and Planning Commission; Devolution of resources and Theory of grants; resource transfer Union to States - Criteria for ,transfer resources; Centre State financial relations in India; Problems' of states resources indebtedness; Transfer of resources from Union and States to local bodies.

Module 9 : Indian Public finances (10 Hrs)

Indian tax-system; Revenue, of the Union States and local bodies. Major taxes India; base of taxes, direct and indirect taxes, taxation- of agriculture, expenditure reforms in direct and indirect taxes taxes on services; Non-tax revenue of Central State and local bodies; Analysis of Central and State government budgets; Lack

flexibility in Central and State budgets, shrinking size of development finance through budgets; Trends in public expenditure and public debt; Fiscal crisis and fiscal sector reforms in India; Reports of Finance Commissions in India.

BASIC READING LIST

- Atkinson, A.B. and J.E. Siglitz (1980), Lectures on Public Economics. Tata McGraw Hill. New York.
- Auerbach, A.J. and M. Feldsliern (Eds.) (1985), Handbook of Public Economics, Vol.1, North Holland, Amsterdam.
- Buchanan. J.M. (1970), The Public Finances . Richard D. Irwin, Homewood.
- Goode, R (1968), Government Finance in Developing Countries. Tata McGraw Hill, New Delhi.
- Houghton J.M. (1970), The Public Finance : 'Selected Readings, Penguin, Harmonds worth.
- Jha, R. (1998), Modern Public Economics Routledge, London.
- Menutt, P. (1966), The Economic; of public Choice. Edward Elgar, U.K.
- Musgrave, R.A. (1959), The Theory of Public Finance. McGraw Hill, Kogakhusa, Tokyo.
- Musgrave, R.A. and P.B. Musgrave (1976), Public Finance in Theory and Practice, McGraw Hill, Kogakhusa, Tokyo.
- Shoup, C.H. (1970), Public finance , Aleline Chicago.
- Shome, P (Ed.) (1995), Tax Policy : Handbook. Tax Division, Fiscal Affairs Department . International Monetary Fund, Washington D.C.

ADDITIONAL READING LIST

Module 1

- Comes, R and T. Sandier (1980), The Theory of Externalities. Public Goods Cambridge University Press, Cambridge.
- Duff, L. (1997), Government and 1 target. Orient Longman, New Delhi.

- Herber, B. P (1967), Modern Public Finance Richard D. Irwin. Homewood.
- Spulber, N, (1998), Redefining the State, Cambridge University Press, Cambridge.

Module 2

- Buchanan, J.M. (1968), The Demand and Supply of Public Goods. Rand McNally, Chicago.
- Mueller, D .C. (1979), Public Choice, Cambridge University Press, Cambridge.
- Spulber, N. (1998), Redefining the State. Cambridge University Press, Cambridge.
- Stilitz, J.H. (1986), Economics of Public c sector. Norton, New York.

Module 3

- Dorfman (Ed) (1970) Means the benefits of government Investment Brookings institutions Washington.
- Duff, L. (1997), government and market, Orient Longman, New Delhi.
- Friedman A. (1986), Welfare economics and Social Choice Theory. Nijhoff, Boston.
- Glennester H. and J. Hills (1998). The State of Welfare : The Economy Social Spending Oxford University Press, London.

Module 4

- Misban, K.J. (1982). Cost - venel Analysis; An Informal Introduction Alien and unwin, London.
- Peacock, A. and DJ. Robertson (Eds 1963), Public Expenditure : Appropriate control Oliver and Boyd, Edmoudget.
- Phyr, P. : 1970 Zero Base Budjeting;'A Practical Management; Tour Evaluation Expenses. John Wiley New York.

- Premchand, A; (1966), Control of Public Expenditure in India. Allied Pu, New Delhi.
- Shani, B s. (Ed.) (1972). Public Expenditure Analysis : Selected Rotherdam University Press.

Module 5

- Bird. R. and O, Oldman (1967), Readings on Taxation in Developing the John Hopkins University Press, Badtimorc.
- Cutl, J. (1969). Taxation and Eqondnic Development in India. Frederick a Publisher. New York.
- Kaldor, N (1955), An Expenditure ;TH". George Alien and Unwjn. London
- Musgrave. R.A. and C. Shoup (Ecs.) (1970), Readings in the Economic Taxation. George Alien and Unwin, London,

Module 6

- Barman, K. (1986), Public Debt Management in India, Uppal Publishing New Delhi.
- Buchanan. J.M. (1958), Public Principles of Public Debt. A Pefaj Restatement Richard D. Irwin Homewood.
- Ferguson, J.M. (Ed.) (1964). Public Debt and Future Generations. North University -Press, Chapel Hill. .
- Sreekanteradhya, B.S. (1972), Public Debt and Economic Development New Deli

Module 7

- American Economic association (1955), Readings in Fiscal Policy- George and unwin, London.
- Chelliah, Raja J.(1971), Fiscal Policy in Underdeveloped Countries. George Alien and Unwin, London.
- Government of India (1985), Longstern Fiscal Policy. New Delhi.
- Peacock, A. and G,K. Shaw (1976) The Economic Theory of Fiscal Policy. George Al ten and Unwin, London

Module 8

- Bhargava, R.N. (1967). The Theory and Working of Union Finance in India. Chaitany publishing House, Allahabad.
- Bhargava, P.K. (1982), Centre State Resource Transfers in India, the Academic Press, Guragon.
- Chelliah, Raja . et.al (1981), Treds and Issues in India's Federal Finance. National Institute of Public Finance and Policy, New Delhi.
- Gulati LS (1979), Centre Stale Financial Relations : An Assessment of the Role of Finance Commission. M.S. University of Baroda. Baroda.
- Lakdawak. D.T. (1967), Union State Financial Relations. Lalwani Publishing House, Murnbai.
- Musgrave. R.A. (1977), Essays Federalism. Greenwood West Port.
- Oates, W.E. (1972), Fiscal Federalism. Harcourt Brace and Johanowich, New York.
- Reports of various Finance Commissions.
- Srivastay. D.K. (Ed.) (2000), Fiscal Federalism in India. Har-Anand Publications Ltd., New Delhi.

Module 9

- Bhargava, R.N. (1969), Indian Public Finances. B.D. Bhargava and Sons, Chandausi .
- Bhargava, P.K-. (1976), Taxation o: Agriculture in India. Vora and Co. Bombay.
- Bhargava, PIC. (1984), Some Aspects of Indian Public Finances. Uppal Publishing House, New Delhi.
- Bhargava, K. (1991), India's rise al Crisis. Ashish Publishing House. New Delhi.
- Borkar, V. I, (1971), Income Tax Reform in India. Popular Prakashan, Bombay. Chelliah. P J. (Ed.) (1997). Towans Sustainable Growth. Oxford University Press, New Delhi

- Datt, R. (Id.) (2001), Second Generation Economic Reforms in India, Deep & Deep Publications. New Delhi.
- Gandhi, V.3., (1970), Some Aspects of India's Tax Structure, Vora and Company, Bombay. Government of India (1992). Reports of the Tax Reforms Committee - Interim and Final (Chairman : Raja J. Chelliah)
 - Jain, AX. (1997) Taxation of Income on India Macmillan Company of India Ltd. New Delhi.

Optional Paper

15 PEC 34 AGRICULTURAL ECONOMICS

Module I Agricultural Economics

Nature and scope of Agricultural Economics. Role of Agriculture in economic development. Interdependence between agriculture and industry some evidence - farming system - traditional (subsistence). Commercial co-operation collective and state farming.

Module 2: The Economics of Agricultural Production

Production function in Agriculture - Resource use efficiency - farm size productivity relationship in Indian Agriculture, farm budgeting and cost concerned Supply price relationship.

Module 3: Agricultural Marketing and supply response

Need for an efficient system of Agricultural marketing - criteria for judging efficiency of the system of Agricultural marketing - efficiency of Agricultural marketing system in India - Measure to improve the efficiency of Agricultural marketing in India supply

response in Agriculture Different views - uncertainty and crop insurance.

Module 4 : Determination and Behaviour of Agricultural prices

Behaviour of Agricultural prices - demand and supply of Agricultural product cobweb cycles. Prices and income elasticity and stability - marketed and marketed surplus - Role of public intervention in prices and distribution of Agricultural commodities - stabilization and support policies - Agricultural price policy in India.

Module 5: Agricultural growth and productivity

Agricultural growth in India - Inter regional variations in growth of output and productivity on agriculture -Agricultural growth in States - cropping pattern change in India and States - Institutional changes - Land reforms - supply of input irrigation power, seed and fertilizers - problems of mobilisation of resources Agriculture.

Module 6 Issues in India's Agricultural Development

Land Reforms in India and their impact on agrarian structure. Financing Agriculture - The new Agricultural strategy - Technological modernization commission of Agricultural costs and prices (CACP) - issue of input subsidies Rationale of procurement / support prices PDS and food security - issues commercialization - The New Economic policy and Indian Agriculture - WTO and implication of Indian Agriculture - New Agricultural policy.

References

Module 1

- Bilgrami, SAI: (1996). Agricultural Economics, Himalaya Publishing House, Delhi.
- Soni.R.N. (2004) Leading Issues in agricultural Economics, Vishal Publishing Co. Jalandhar.
- Sadhu.A.N and Amarjith Singh, (IS)1). Fundamentals of Agricultural Economics, Himalaya Publishing House, Bombay.
- Y. Haymi and V. Rutan, (1971), Agricultural Development, An International prospective, John Hopkins.

Module 2

- E.D-Heady (1961), Economics of Agricultural production and Resource use. Prentice Hall,
- A. Rudra, (1982), Indian Agricultural Economics .
- D.Metcalf, (1969). The Economics of Agriculture.
- Soni.R.N. (2004), Leading Issues h Agricultural Economics, Vishal Publishing. Co Jalandhar.
- C.H. Hanumantha Rao. (1965). Agricultural Production Functions, Costs and Returns in India, Tata. McGraw Hill.

Modules 3

- S.S.Acharya and N. Argwall (1998), Agricultural Marketing in India. Soni.R.N. (2004), Leading Issues ii Agricultural Economics, Vishal Publishing Co Jalandhar.
- Tyagi.D.S. (1974). Fanners Responses to Agricultural Prices in India, A Study in decision making. New Delhi, Heritage Publishers.

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- Sidhu D.S. (1990), Some Aspects of Agricultural Marketing and Pricing Policies India, UAE, Oct-December.
- Acharya.S.S. (1998), "Agricultural Marketing in India: Some facts and Emerging Issues: UAE, July-Sept,
- H.Evan Drummond John W.Godwin (2004) Agricultural Economics, Pearson Education, Delhi.

Module 4

- K. Subbaran and D.E.Janvry, (1985), Agricultural price policy and Income Distribution in India.OUP.
- A.S.JCahlon and D.S.Tyagi. Agricultural pace policy on India, Hentage Publishers.
- Rath, N.K.(19(5). "Prices, costs of Production and Terms of Trade of Indian Agriculture, UAE, Oct-Dec.
- Tyagi.D.S. (1974). Farmers Responses to Agricultural Prices in India, Publishers, Delhi.
- R.N. Soni, (2004), Leading Issues in Agricultural Economics, Vishal Publishers, Jalandhar.

Module 5

- Umakapila (1999)'Indian Economy since Independence - academic Foundation
- G.S. Bhalla and Y.K.. Alagh (1979), Performance of Indian Agriculture - wise study, sterling.

- M.L. Dantwada (ed.) (1985) Agricultural Growth in India, Indian Agricultural Economics.
- R.K.. Sampaih (1980) Economic Efficiency in Indian Agriculture.
- Datwaia M.J et.al (1991) Indian Agricultural Development since India Oxford and IBH, New Delhi.

Module 6

- Raj.K.N.etal. (1988), Essays in the commercialisation of Indian-Agriculture New Delhi.
- Soni,R.N.(2004),. Leading Issues in agricultural Economics, Vishal Publications, Jalandhar.
- Robet.E.B. .Lacas, G.A.Papanck (Ed.) The Indian Economy, OUP 2000.
- M.L.Dantawala;(Ed.), (1985), Agriculturaal Growth in India
- Raj.K.N; and Sen A.K.and L.H.H Rao Ed (1988) Studies in Indian Agriculture.
- A.N.Agrawal, (1985); Indian Economy Problems of Development and Wishwa Prakashan, New Delhi.

Semester IV

15PEC41 Macro Economics II

Module:I Theory of Inflation

Classical, Keynesian and Monetarist Approach to Inflation – Structuralist Theory of Inflation - Inflation targeting -Phillips curve analysis - short run and long run Phillips curve - Samuelson and Solow's views -The Natural Rate of Unemployment Hypothesis- Tobin's modified Phillips curve - NAIRU- Adaptive expectations - New micro economics of the Labour Market - Expectation Augmented Phillips Curve - costs of Inflation and Inflation Targeting.

Module :2 Recent Developments in Macro Economics

Keynesian Counter Revolution - Monetarism-Rational Expectations- New Classical Macro Economics - views of Muth, Wallace, Sargent and Lucas- Supply Side Economics- Wedge model- Laffer curve-Anti-Keynesianism and after. New Keynesian Economics- views of Stanley Fisher, Edmund Phelps and John Taylor- The New Political Macroeconomics.

Module 3 Business cycles

Business cycles models of Samuelson, Hicks, Kaldor and Godwin - Real Business cycle theory.

Module 4 Policy Issues

Monetary policy- conduct of monetary policy- Rules vs Discretion- Taylor rule - The Time inconsistency proposition- Monetary targeting and inflation targeting- fiscal policy and budget deficits- Income policy-wage guide posts- Crowding out effect - Barrow-Ricardo Equivalence theorem- Alternative strategies to reduce inflation- Gradualism vs Cold Turkey. Okun's Law- Growth vs Stability.

Reading List

1. Gardner Ackley (1989) Macro Economics: Theory and Policy, Collier Macmillian.
2. Gregory Mankiw (2010) Macro Economics, 7th edition, Worth Publishers.
3. Rudiger Dornbusch and Stanley Fischer and Richard Startz (2007) 7th ed, "Macroeconomics", McGrawhill.
4. Andrew Abel and Ben Bernanke "Macroeconomics", (2010), 4th ed Pearson Indian Ed
5. Richard T.Froyen "Macroeconomics" (2008), Pearson Indian Ed
6. Brian Snowdon, Howard Vane and Peter Wynarczyk (2002); A modern Guide to Macro Economics: An introduction to competing schools of thought, Edward Elgar.
7. Brian Snowdon, Howard Vane (2002), Modern Macro Economics, The Origin, Development and Current state, Edward Elgar.U.K
8. Shaw, G.K., M.J. McCrostie and D. Greenaway, Macroeconomics: Theory and Policy in the UK, 3rd edition, Blackwell, 1997.

Additional Reading List

Module:1 Theory of Inflation

1. I.Frisch, H. (1983), Theories of Inflation, Cambridge University Press, Cambridge.
2. Hagger, A.J. (1977), Inflation : Theory and Policy, Macmillan, London.
3. Hudson, J. (1982), Inflation : A Theoretical Survey and Synthesis, George Allen and Unwin, London
4. Levacic R and A.Rebman (2006): Macro Economics, ELBS and MacMillian.
5. Kamran Dadkhah (2010): The Evolution of Macro Economic Theory and Policy, Springer.
6. Oliver Blanchard (2011): Macro Economics 11 ed, Pearson.

Module 2 Recent Developments in Macro Economics

1. Friedman, M. (1968), The Role of Monetary Policy.
2. G.Mankiew (1989)Real Business aspects- A Keynesian Perspective, Journal of economic Perspectives., vol 3.
3. David Laidler,New Classical Contribution to Macro Economics (In Macro Economic Reader)ed by B. Snowdon and H.R.Vane.Routledge
4. Finn .E.Kydland, Edward C. Prescott, Rules Rather Than discretion, The Journal of Political Economy, vol 85, No 3 (June 1977).
5. Thomas Mayer, The structure of Monetarism (In Macro Economic Reader) ed by B. Snowdon and H.R.Vane, Routledge
6. Robert Lucas and Thomas j Seagull, After Keynesian Macro economics (In Macro Economic Reader) ed by B. Snowdon and H.R.Vane, Routledge
7. Charles A. Plosser, Understanding Real Business Cycles , (ibid) Routledge
8. Robert J. Gordon What is now Keynesian Economics? (ibid) Routledge

Module 3 Business cycles

1. A.J. Westaway and T.G.Weyman Johnes (1978): Macro Economics, Theory Evidence and Policy, Longman.
2. Kamran Dadkhah (2010): The Evolution of Macro Economic Theory and policy. Springer.
3. Stanley Bober (1979 and digital edition 2010): Economics of Cycles and Growth, Witley.
4. Lucas, Robert E., "Understanding Business Cycles," in K. Brunner and A. Meltzer (eds). Stabilization of the Domestic and International Economy, Carnegie-Rochester Series on Public Policy 5 (Amsterdam: North-Holland, 1976.
5. Kydland, Finn E. and Edward C. Prescott "Time to Build and Aggregate Fluctuations," Econometrica 50: 1345-1370, 1982.

Module 4 Policy Issues

1. M.Friedman, The Role of Monetary Policy, The American Economic Review, Vol 58, NO.1 (March 1968).
2. Finn.E.Kydland, Edward.C.Prescott, The Journal of Political Economy, Vol 85, No.3 (June 1977).
3. Robert E. Lucas, Jr. Unemployment Policy, The American Economic Review Vol. 68, No. 2, Papers and Proceedings of the Ninetieth Annual Meeting of the American Economic Association (May, 1978)

MA Economics

15PEC42 INTERNATIONAL ECONOMICS II

Module 1: Economic growth and Trade

Interrelationship between Growth and Trade – Views of J.R. Hicks, H.G. Johnson, and J. Bhagwati – Technical Progress – Trade and Income Distribution – Export as a Major Factor in Economic Development – Case Studies of South Korea, Hong Kong and Singapore.

Module 2: Balance of payments

Balance of Payments Accounting – Autonomous and Accommodating Capital Flow – Concepts of Equilibrium and Disequilibrium – Elasticity and absorption Approaches – Internal and External Balance – Aims and Means – Swan Diagram – Foreign Trade and National Income – Foreign Trade Multiplier.

Module 3: Foreign Exchange

Foreign Exchange Market – Fixed, Flexible, Floating Exchange Rates – Managed Float – European Snake – Purchasing Power Parity Theory – Empirical Test of PPP – Monetary Models – Macroeconomic Policy and Floating Rate – Fixed and Pegged Exchange Rate.

Module 4: International Monetary System

Bretton Woods system – Growth, Crisis and Collapse – Conditionality Clause of IMF – Emerging International Monetary System with Special Reference to Post – Maastricht Developments and Developing Countries. Reform Proposals International Liquidity – Crisis – Debt Trap – Latin American Experience – Debt Management – International Financial Institutions – IMF – IBRD – IDA ADB – Role in Helping Financial Crisis of Third World Countries – their Achievements and Failures.

Module 5: GATT and WTO

Objectives, Structure, Principles – GATT Rounds – Final Act – WTO – Neo Protectionism – Super -301.

Module 6: UNCTAD and World Trading System

Objectives and Role of UNCTAD – Generalized System of Tariff Preferences – Support and Stabilization of Commodity Price – Buffer Stock – Quota Agreement – Role of UNCTAD in Trade and Development.

Module 7: New International Economic Order

Advances towards NIEO – Reform of International Monetary System – Reform of World Trading System – Globalization – New Issues of Globalization – India's External Economic Relation – Impact of Globalization in the Indian Economy

Module 8: Trade Policies in India

Structure, Composition, Direction and Balance of Foreign Trade of India before and after Independence – A Comparison – Recent Changes in the Direction and Composition of Trade - Trade

Problems and Trade Policies in India during the Last Five Decades – Rationale, and Impact of Trade Reforms since 1991 on Balance of Payments – Employment and Growth – Problem of India’s International Debt – Working and Regulations of MNCs in India – Instruments of Export Promotion and Recent Import and Export Policies and Agenda for Future.

References

Module 1

Bo Sodersten and Geoffrey Reed (1994), International Economics, Macmillan, London

UNCTAD, World Investment Reports

Hans Singer et al. (Eds.) (1991) Foreign Direct Investment, Indus Publishing Co., New Delhi

Sanjeev Kumar (1996), Foreign Direct Investment, B.R. Publishing Corporation, New Delhi Jagdish Bhagwati (1997), Writings on International Economics Oxford University Press

GP Isser (1997), Role of Trade in Economic Development, Siba Exim Pvt Ltd., Delhi

Module 2

Bo Sodersten and Geoffrey Reed (1994), International Economics, Macmillan, London

Bo Sodersten (1980), International Economics, Macmillan

Charles P Kindleberger, International Economics

WJ Eicher, Modern International Economics

Module 3

Bo Sodersten and Geoffrey Reed (1994), International Economics, Macmillan, London

Bo Sodersten (1980), International Economics, Macmillan

WJ Either, Modern International Economics

Module 4

Bo Sodersten (1980), International Economics, Macmillan

Graham Bird (1993) International Monetary System and the LDCs, Macmillan

WJ Either, Modern International Economics

Module 5

Bo Sodersten and Geoffrey Reed (1994), International Economics, Macmillan, London

TN Srinivasan, Developing Countries and the Multilateral Trading System from GATT to the Uruguay Round and the Future, Oxford university Press, 2000

Anne Krueger (Ed) (2000) The WTO as an International Organization, Oxford University Press

Module 6

Bo Sodersten and Geoffrey Reed (1994), International Economics, Macmillan, London

UNCTAD Annual Reports

Module 7

MP Todaro, Economic Development in the Third World, Ch. 17

Dominick Salvatore, International Economics Ch. 20

G Parsell (2000), India's Trade Policies in the 1990s, Oxford University Press

S Marjit and Raychaudhuri, India's Exports - An Analytical Study, Oxford University Press

Module 8

Jagdish Bhagwati and Padma Desai (1970), India: Planning for Industrialization, Oxford University Press, London

P.R. Brahmananda and V. R. Panchmukhi (Eds.) The Development Process of Indian Economy, Himalaya Publishing House, Bombay.

V. Joshi and I.M.D. Little (1996), India's Economic Reforms 1991-2001, Oxford University, New Delhi.

Patel S.J. (1995), Indian Economy Towards the 21st Century, university Press Ltd. India

Sathyanarayanan B (1986), India's Trade with Asia and Far East Countries, B. R. Publishing Corporation, New Delhi

Verma M.L. (1985), international Trade, Vikas publishing house Pvt. Ltd., New Delhi

15 PEC 43 FINANCE AND CAPITAL MARKETS

Module 1: Nature and Role of Financial System

Money and Finance - Money and Near Money - Structure of financial system - Functions of financial sector -Indicators of financial development - Financial system and economic development - financial intermediation and intermediaries - Equilibrium in financial markets - Virtual money and electronic money.

Module 2 : Credit Markets

Credit Markets - Formal and Informal credit. Role of Credit. Development Banks- role and functions. Investment Banking and Merchant Banking - Mutual Funds, venture Capital Funds - NBFI's role and functions its growth and impact on India economic depth. Banking sector Reforms -

Insurance markets in India - Structure and composition - Insurance sector reforms IRDA.

Module 3 : Financial Markets

Structure and composition of money and capital markets. Markets for derivatives - futures and options – and other derivatives - Criteria to evaluate assets - Risk and financial assets - Types of risks – assets - Valuation of securities - Factors affecting security prices - Dow theory and Elliot wave theory - SEBI – role and functions. Capital market reforms, overlapping of commodity, money and capital market and foreign exchange markets.

Module 4 : Stock Exchange - Functions and Operations

Securities Exchange - Over the counter exchange of India - NSE and ICSE - Advantages of OTC - Listing on OCCE - Listing procedures - Market players Trading on OTCE1- Problems NSE operations – central Depository system - Settlement system - NSDL - Advantages of Depository - ICSE, Securities trade, trading ring procedures - Badla system.

Module 5 ; International Financial Markets

Nature, Organisation and participants - Exchange rates - devaluation and depreciation -working of floating exchange rates since 1973 - International financial flows, forms and volume - International liquidity Reforms in international monetary system for developing countries- Working of II A and IFC Asian-Development Bank and India - Euro Dollar and Eurocurrency Markets.

Basic Reading List

- Bholc LM, (1999) Financial Institutions and Markets, Tata Me Graw Hill Company Ltd., New Delhi.

- Bharati, V. Pathak (2003) India Financial System, Pearson Education, Delhi.
- Edminster RO (1986) Financial Institutions/Markets and Management McGraw Hill, New York.
- Goldsmith, RW (1969) Financial Structure and Development, Yale, London.
- Hanson JA and S. Kathuria (Eds) (1999), India : A Financial Sector for Twenty First Century, Oxford University press, New Delhi.
- Harker PR and SA Zenios (2010) (Ed) Performance of Financial Institution Cambridge University Press, Cambridge,
- Johnson, HJ., (1993) Financial Institutions and markets, Me Graw Hill, New York.
- Khan, MV. (1996) Indian Financial System, Tata McGraw Hill, New Delhi.
- Machiraju M.R. (1999) Indian Financial Systems, Vikas Publishing House, New Delhi.
- Ohlson, J.A (1987) The Theory of Financial Markets and Institution. North Holland, Amsterdam. » Prasad K.N. (2001) Development in India's Financial System, Sarup & Sons New Delhi.
- Robinson R.I., and D. Wrightman 1981) Financial Markets, Me Graw Hill, London.
- Smith PP (1978) Money and Financial Intermediation : The theory and Structure of Financial System, Prentice Hall Englewood cliffs, New Jersey.
- Frank J, Pabozzi, Franco Modighani, Frank J. Jones and Michael G. Ferri (2000) (3rd Ed) Foundation of Financial Markets and Institutions, Pearson Education, New Delhi.

Additional Reading List

- Bishop P and D. Dixon (1992) Forcing Exchange Handbook, McGraw Hill, New York.
- Chandra P, (1997) Financial Markets (4th edn), Tata McGraw Hill, New Delhi,
- Farrell, J. (1997) Portfolio Management (2nd Edn) McGraw Hill, New York.
- Machiraju H.R. (1999) Indian Financial Markets in India, Whee Publishing House, Allahabad.
- Shaw, EN (1983) Financial Deepening in Economic Development, Oxford University Press, London.

Module 2 & 3 &-4 & 5

- V.A. Avachani (2001), Investments and Securities Markets in India. Himalaya Publishers.
- G. Murthy, Capital Investment Decisions in Indian Industry. Himalayan Publishers.
- A.J. Mercet and Alien Syks, The Finance and Analysis of Capital Markets.
- Bharathi, V. Pathak (2004), Indian Financial System, Pearson Edu. Lowprice ed.
- F.J. Fabozzi, F. Modigliani (Ed.) (2004), Foundation of Financial Markets and Institution.', 3rd Ed, Pearson Ed.
- Bhatt..R.S(1996), Unit Trust of India and mutual Funds : A Study, UTI Institute of Capital Markets, Mumbai.
- Sahadevan K.G. and M.T. Thirijalragu (1997),. Mutual Funds. Prentice Hail of India, New Delhi.
- Fisher. G.I.. and RJ. Jordon (199:). Security Analysis and Portfolio Management. Eastern Economy Edition, New Delhi

- Goss, B.A and :B.S. Yamey (1973), The Economics of Futures Trading. Macmillan. London.
- R.B.I (1985) Report of the Committee to Review the Working of the Monetary System (Chakravarty Committee). Bombay.
- Wellcr, P.(1992), The Theory of Future Markets, Blackwell, Oxford.
- Gupta. L.C. (Ed.) (1999), India Financial Markets and Institutions. Society for Capital Re search and Development Delhi.
- Brahmanajida, P.R. (1982), IMF Loan and India's Economic Future. Himalaya Publishing House, Bombay
- Chamberk in, G. (1981), Trading Options Woodhed-Faulker. Cambridge.
- Crocker, A. (1982), International Money : Issues and Analysis. The English Language Book Society, Nelson, London.
- Kindleberrer C.P. (1996). A History of Financial Crisis. Manias. Panics and Crashes. John Wiley & Sons, Mew York
- Mackinnon, R.J. (1979), Money in international Exchange. Oxford University Press, Oxford.
- Niehans.-J. (1984), International Monetary Economics. John-Hopkins University Press, New York.
- R.B.I, (1995), Report of the Working group on Foreign Exchange Market in India, (Sodhani Group), Mumbai.
- Redseth. A (2000), Open Economic Macroeconomics. Cambridge University Press, Cambridge.
- Yeagcr, L.B. (1976), International Monetary Relations ; Theory. History and Policy: Harper and Row New York.

Optional Paper

15 PEC 44 INDUSTRIAL ECONOMICS

In the present day world with globalization and liberalization, more and more attention is being given to industry. This course intends to provide knowledge to the students on the basic issues in the industrial development of India. This paper is intended to provide a thorough knowledge about the economics of industry in an analytic manner particularly in the Indian context.

Module 1: The Scope of Industrial Economics and Basic Concepts - Small Scale

Industry and Technology

Nature and scope - some concepts - plant, firm, cartel, MRTP company, industry, Industrial structure, Market, Market Structure, Market power, market conduct, Market performance.

Small scale Industry in India importance, problems and State policy meaning - Technology and development –Traditional, modern, intermediate and appropriate technologies.

Module 2: Theory of Firm, Organization and Policy

Objectives of the firm - Marginal, Managerial and behavioural theories, marginal cost pricing VS full cost pricing- monopoly and concentration- corporate form of organization - pricing decision⁷- administered prices - investment decisions – Ratio analysis methods of project evaluation. Risk and uncertainty in project appraisal - OECD and UNIDO approaches to investment decisions.

Module 3: Location and Regional Development

Industrial location - general determinants - approaches to Industrial Locational analysis - theories of Weber and Sargent Florence. Regional growth - measure of regional imbalance and backwardness

Module 4: Indian Industrial Growth and Pattern

Patterns and phases of industrial growth in India - Liberalisation and Privatisation - Role of public sector – Industrial growth and environmental preservation.

Module 5: Issues in Indian industrial development

Trends in industrial growth in Indian Industry under the plan - performance of industry in the context of objectives of growth, efficiency and equity. Stagnation since mid sixties and various explanations for capacity utilization and productivity, industrial sickness- causes and effects. Foreign collaboration and jointventures abroad.

Module 6 : Industrial finance and Foreign Capital

FDI and Govt. policy since independence - the 1980's cautions deregulation, 1990s full scale liberalization and integration with world economy, FDI Liberalisation 2001.

References Module 1

- J. Ahluwalia, Industrial Growth in India - Oxford University Press, 1985.
- R.R. Barthwal, Industrial Economics, Wiley Eastern, 1984.
- P.J. Devine : An introduction to Industrial Economics, George Alien and Unwin
- D.A. Hay and D.J. Morris, Industrial Economics. Theory and Evidence University Press, 1979.
- L.B. Lave :Technological Change: Its conception and Measurement,Prentice-Hall,1966

Module 2

- R.R. Barthwal, Industrial Economics, Wiley Eastern, 1984.
- A. Koutsoyiannis Modern Micro Economics, Macmillan, 1979.
- E. Penrose, The Theory of the Growth of the Firm, Blackwell, Oxford 1959.

- G.M. Meier (ed.) Leading issues in Economic development, OUP, 2000.

Module 3

- D.M. Smith, Industrial Location An economic and geographic analysis wiley
- K.SU Menon Development of Backward Areas through Incentives, Asia. S. C Kuchal: Industrial Economy of India, Chaitanya, 1980.
- R.R. Barthwal, Industrial Economics, Wiley Eastern, 1984.

Module 4

- Umakapila : Understanding the Problems of Indian Economy, Academic 2003.
- Umakapila (cd.) Indian Economy since independence, Academic foundation.
- A.N.Agrawal, Indian Economy Problems of Development and Planning Publication, 1995.

Module 5

- P.R.Brahmananda and V.R.Panchamikhi: Development Process of Indian Economy, Himalaya, 1997.
- Umakapila :Indian Economy since Independence, Academic Foundation. New Delhi. 1997
- Robert e. Lucas and G.F. Papanack (Ed): The Indian Economy, OUP.
- Deepak Nayyar (Ed.): Industrial Growth and Stagnation OUP, 2000.
- Vivek Srivastava Liberalisation, Productivity and competition.
- I J. Ahluwalia : Industrial Growth in India, DUP, 1985.
- I.M.D. Little and I.J. Ahluwalia (Ed.) India's Economic Reforms and Development OUP, 2000.

Module 6

- Umakapila: Understanding the problems of Indian Economy, Academic Foundation, 2001

- L.C.Gupta : The Changing structure of Industrial Finance in India OUP, 1969.
- Umakapila: Indian Economy Since Independence. Academic Foundation, New Delhi, 1992.

Khan M.Y. (1981) Indian Financial Systems, Allied P