

FATIMA MATA NATIONAL COLLEGE
(AUTONOMOUS)
Kollam
DEPARTMENT OF ECONOMICS

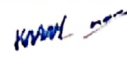

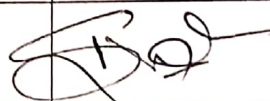

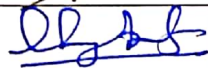




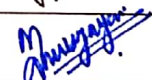
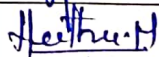

Meeting of the PG Board of Studies

07.03.2019

Agenda

1. Revision of PG Syllabus
2. Pattern of Question Paper

Members Present....

Sl No	Name	Signature
1	Dr Titus A. R. Chairman & Head of the Department	
2	Mr Cedric Lawrence General Manager, Dept. of Banking Supervision Reserve Bank of India, Thiruvananthapuram	
3	Dr Shaijumon C. S. Associate Professor, Department of Humanities IIST, Thiruvananthapuram	
4	Ms Shalini Lawrence Assistant Professor, Department of Economics Government College Attingal, Thiruvananthapuram	
5	Dr Mary Antony	
6	Ms Minu Elza	
7	Ms Liya Joy	
8	Mr Siju Wills	
9	Ms Neena Johnson	
10	Mr Manu V.	
11	Ms Neethu Mathew	
12	Ms Ayona Nelson	

Fatima Mata National College (Autonomous), Kollam
DEPARTMENT OF ECONOMICS

Date: 07.03.2019; Time: 10.00 am

Agenda:

1. Revision of PG Syllabus
2. Pattern of Question Paper

The Meeting of the PG Board of Studies in Economics started at 10.00 am with a silent prayer. Dr Titus A. R. presided over the meeting. The following members were present.

<i>Sl. No.</i>	<i>Name</i>	<i>Designation</i>
1	Dr Titus A R	Chairman
2	Dr C. S. Shaijumon	External Member
3	Mr Cedric Lawrence	External Member
4	Ms Shalini Lawrence	External Member
5	Dr Mary Antony	Member
6	Ms Minu Elza R	Member
7	Ms Liya Joy	Member
8	Mr Siju Wills	Member
9	Ms Neena S Johnson	Member
10	Mr Manu V	Member
11	Ms Neethu M Mathews	Member
12	Ms Ayona Nelson	Member

Dr Titus introduced the papers taught in the respective semesters and welcomed the three members of the board of studies Dr C S Shaijumon, Reader in Economics, Department of Humanities, Indian Institute of Space Science and Technology (IIST), Dept. of Space, Govt. of India, Thiruvananthapuram, Kerala, Mr. Cedric Lawrence, Deputy General Manager , Reserve Bank of India and Shalini Lawrence Assistant professor, Department of Economics, Government college, Attingal.

The meeting unanimously decided to make semester wise additions/removals/modifications/changes of course contents as shown below.

Microeconomics I

- Module I and Module II were clubbed as one module first
- Behavioral theories of the firm were added in the last module.

Economics of Growth and Development

Module I:

Topics Added

- Measuring Development and development gap, Tinbergen and Leontief studies.
- Absolute, Relative poverty,
- Poverty Trap.
- Poverty Measures: Head count Ratio, Poverty gap.
- Multidimensional Poverty Index.
- Human capital and Human resource development

Topic Removed

- The meaning of development

Module 3

Topics Added

- Solow's sources of growth,
- Denison's sources of growth
- Embodied and disembodied technical change

Removed

- Two sector model of Uzawa
- Money in economic growth - Tobin Technical Progress

Module 4

Topics Removed

Cost benefit analysis

Indian Economic Policy I

- It had been suggested that Indian economic policy paper can be more theoretical, and questions also can be more innovative.
- Topics removed – Nil
- Topics added- Nil

Quantitative Methods for Economics

Topics removed –Module I

- Game Theory-Basic concepts.
- Two-person zero sum and constant sum games
- Saddle point solution
- Simple and mixed strategies.
- Dominance rule.

Topics added –Module V

- Normal distribution; chi-square, t- and F-distributions
- Estimation of parameters, properties of estimators
- Testing of hypotheses: defining statistical hypotheses; distributions of test statistics; testing hypotheses related to population parameters; Type I and Type II errors; power of a test.

Economics of Social Sector and Environment

Topics Removed

Module –I

- Economic planning and economic growth.
- Cost benefits analysis.

Module –II

- No topic removed.

Module –III

- Environment in WTO regime.

Module- IV

- Macroeconomic policies and environment.

Topics Added

Module –I

- Manpower planning
- Meaning and Techniques of Forecasting
- Types of Forecasting. (Qualitative and Quantitative methods)

Module –II

- Nature and scope of Health Economics.
- Healthcare sector in India.
- Health Insurance Schemes in India-RSBY, ESIS, AABY, JBY

Module –III

- Environmental Economics-Meaning and significance
- Economy, Ecology and Environmental interaction, Ecosystem
- Material Balance Model
- Law of Entropy-
- Ayres- Kneese's material balance model and its implication on environmental economy
- Relation between environmental quality and economic development
- Approaches to Environmental Valuation-Direct Methods-Expressed preference method –, Trade off Games Method, Costless Choice Method, Delphi Method-
- Indirect Methods- Revealed Preference Methods- Travel Cost Method, Preventive Expenditure Method, Surrogate Market Approach, Wage Differential Approach- cost based methods
- Other methods of valuation- Dose Response Method, Human Capital foregone Earning Approach
- Cost Benefit Analysis

Module –IV

- Design of Environmental Policy
- Quantity based Instruments
- Market based Instruments.
- Bargaining Solution- Coase Theorem
- Informal Regulation-Collective Action
- The New Model of Pollution Control
- Major Environmental Policies and Legislations in India.
- Global Warming, Biodiversity Loss, Acid Rain, Deforestation, Environmental Pollution.

Module –V

- Natural Resources-Resources Taxonomy.
- Common Property Resource Management.
- Tragedy of Commons.

Indian Economic Policy II

- Rearrangements of the modules is preferable and more topics can be added.
- Various research journals must be ensured in the library.

Topics removed- nil

Topics added-

- Role of decentralization
- Trends in migration

Econometrics and Research Methodology

Topics removed

Module III Econometric methods

- Log linear models and estimation of elasticities rates.
- Estimation of demand, cost and production functions

Topics added

Module I: Introduction to Econometrics

- Overview of computer – Basic operating operations and describing data in Excel.

Module III: Multiple linear regression model

- Estimation of parameters
- properties of OLS estimators
- goodness of fit – R^2 and adjusted R^2
- partial regression coefficients
- testing hypotheses – individual and joint
- functional forms of regression models
- qualitative (dummy) independent variables

Macroeconomics –I

Topics Added

Module 1 Introduction

- A brief introduction to competing schools of macroeconomic thought (A brief out line of Monetarism, New Classical Economics and New Keynesian Economics)
- The Neoclassical synthesis
- Determination of output, employment and Price level (Classical and Keynesian model)

Module 4 Behavioural Foundations of Macroeconomics

- Drift hypothesis of Smithies and views of Duesenberry
- Fisher's Inter temporal Choice model
- Normal Income Theories (views of Friedman and Modigliani)
- Endogenous Income Theory
- Robert Hall Random Walk Hypothesis
- David Laibson Behavioral Hypothesis.
- Modigliani-Miller theory
- Investment under Uncertainty, Asymmetric Information and Irreversible Investment

- Modern monetary theory of Randall Wray

Module 5 Demand and Supply of Money

- Inside money and Outside money

- Fisher effect
- Disequilibrium money and Buffer stock models

International Economics I

Topics Removed

- Mercantilism
- Physiocracy

Topics Added

Module II: Trade in Services

- World Trade in Services.
- Nature of Trade in Services.
- The General Agreement on Trade in Services (GATS),
- Scope and Coverage.
- Exclusion from the GATS.
- The Basic Economics of Services Trade.
- Causes of Trade in Services.
- Trade Policy and the Service Sector:
- The Instruments of Protection.
- Outsourcing and Free Trade.
- Advantages and Burdens of Outsourcing.
- Traded vs. Non-Traded Goods.

Public Economics

Topics Removed

Module –I

- Role of government in Organized societies.
- Role of government in a mixed economy.
- Public sector vs private sector.
- Private goods and Merit goods
- Government as an agent for Economic planning and development
- Government as a tool for operationalizing the planning process.
- Theory of second best

Module –II

- Public and private mechanism for allocation of resources.
- Problems for allocating resources.
- Problems of preference revelation and aggregation of preferences.
- Arrows impossibility theorem.
- An economic theory of democracy.
- Politico- eco – bureaucracy.
- Rent seeking and Directly Unproductive Profit seeking activities.

Module –III

- Voluntary exchange model

- Impossibility of decentralized schemes for public goods-contributions of Clark Grove and Eyard.
- Uncertainty and Expectations
- Failure of inter- temporal markets.
- Liquidity preference.
- Social goals.

Module- IV

- Reforms in expenditure budgeting

Module- VI

- Crowding out of private investment.
- Debt through created money.

Module- VII

- Budgetary deficit and its implications
- Alternative measures of resource mobilization and its impact
- Balanced budget multiplier

Topics Added

Module –I

- Economic rationale of the Modern State:
- Government Failure- Meaning.
- Invisible Hand Vs Government Failure.

Module –II

- Concepts, Characteristics of Public goods.
- Economic Analysis of Public Goods.
- Partial Equilibrium Analysis.
- General Equilibrium Analysis.
- Merit Goods, Impure Public Good and Buchanan Model.
- Common Property Resources.
- Tragedy of the commons.
- Public Choice Theory.
- Problems of Collective Choice defined.
- Majority Voting.

Module –III.

- Empirical Analysis of Public Expenditure:
- Pure Theories of public expenditure,
- Public Expenditure Management& Control –
- Theories of Public Debt Burden of Public debt.
- Trends in Public Debt in India: Liabilities

Module –IV

- Issues in Fiscal Decentralization in India in the context of 73 and 74 amendments. -Structure.

Module –V

- VAT, CENVAT, MODVAT,
- Organizational structure of Goods and Service Tax (GST).
- Practical Issues in Tax Reforms in India.
- Revenue, fiscal and primary deficits.
- Fiscal Responsibility and Budget Management Act.

Agricultural Economics

➤ Topics Removed

Module –I

- Interdependence between agriculture and industry some evidence

Module –III

- Prices and income elasticity and stability - marketed and marketed surplus.
- Agricultural price policy in India.

Module –V

- 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.
- Supply of input irrigation power, seed and fertilizers.
- Problems of mobilization of resources Agriculture.

➤ Topics Added

Module –I

- Most suitable farm organization for Indian agriculture. Theories of agricultural development –Schultz, Mellor, Boserup, Lewis and Fei-Ranis.

Module –II

- Agricultural Production Economics.
- Nerlov models.
- Farm management- principles, need, relevance, farm management decisions and limitations of farm management.
- RAINBOW Revolution- Green revolution- need for second green revolution- Ever green revolution- Farm mechanization.

Module –III

- Food security in India-Public Distribution System-Targeted Public Distribution System-FCI-functions.

Module –IV

- India's agricultural trade- TOT in agriculture-current status of India's agricultural foreign trade.
- Share of agriculture to GDP –India and a global comparison.
- Agricultural development programmes in India.
- Agricultural Credit – need and importance- sources of credit.
- Capital formation in Indian agriculture-recent changes.
- Farmer's welfare and rural development.

Module –V

- Agricultural development in India – share, contribution, and impact on economy.

- National agricultural policy.
- Agriculture and Environment.
- Rural indebtedness- causes, effects and counter measures.
- Input subsidies-issues and challenges.
- Globalization and Indian agriculture.

Macroeconomics –II

Topics Added

Module 1 Theory of Inflation and Unemployment

- Hysteresis Hypothesis
- Search theory
- DMP (Diamond, Mortenson, Pissarides) model

Module 2 Business Cycle

- Cyclical behaviour of economic variables – Direction and Timing
- Aggregate demand Shocks and Aggregate Supply Shocks
- Political Business Cycle theories (views of Nordhaus, Hibbs and Alesina)
- Financial and economic crisis 2007-2009- Causes and consequences (Financial Innovation, Asset Risk and Diversification, Impact on Real Sector)
- Viewpoints by Conservative and Keynesian economists (Eugene Fama, Paul Krugman)

Module 3 Modern Development in Macro Economics –Classical school

- Dynamically Stochastic General Equilibrium model (DSGE)

Module 4 Modern Development in Macro Economics – Keynesian school

- Neo-Keynesianism
- Reinterpretation of Keynes by Clover and Leijonhufvud
- Dual Decision Hypothesis- Quantity Constrained Model of Malinvaud and Barro
- Coordination Failure Fundamental arguments of Post Keynesians
- Kalecki's Pricing Model- Financial Instability Model of Hymn Minsky
- New Keynesian macroeconomics- Nominal Rigidities- Real Rigidities- Small Menu Cost Model-Implicit Wage Contract Model- Efficiency Wage Theories- Insider Outsider Model and Hysteresis
- Coordination Failure- Policy Implications

Module 5 Macroeconomic Policy Issues

- Tinbergen Rule
- Disinflation and Sacrifice Ratio
- Monetary and Fiscal policies in the Indian framework
- The role of Fiscal Responsibility and Budget Management Act, 2003

International Economics II

Topics Added

Module I:

- World Trade in Services.
- Mint Parity Theory of Exchange Rate Determination.
- Asset approach to exchange rate
- Portfolio balance approach
- FOREX management strategy
- Management of foreign exchange with special reference to India
- Indian Rupee and its fluctuations in international currency market.

Module III

- Assignment problem
- Expenditure Switching and Changing policies
- Combining monetary and fiscal policies

Module IV

- Euro currency market and international bond market
- Analysis of international capital budgeting
- Issues in overseas funding choices
- Funding and risk management
- Aspects of European debt crisis
- Euro crisis and Brexit.

Financial Securities Market Analysis

Topics Removed

- Module II was revised and added to Module V.
- Module III was revised and added to Module II.
- Module IV was revised and added to Module III
- Module V was revised and added to Module II.

Topics Added

MODULE 1: NATURE AND ROLE OF FINANCIAL SYSTEM

- Importance of financial system
- Financial markets -Classification of financial markets

MODULE 2: SECURITIES MARKET AND INTERNATIONAL FINANCIAL MARKETS

- Structure and composition of money and capital markets
- Instruments of money and capital markets, Primary Market (New Issue Market)
- Secondary Market -Primary stages in issue of shares (origination, underwriting and distribution)
- Methods of floating of new issues (public issue (IPO-FPO)-, right issue, bonus issue, private placement, and offer to the employees)
- Listing procedure of shares in securities market: objectives and advantages.
- Capital market reforms, overlapping of commodity, money and capital market and foreign exchange markets.
- International Financial Markets-Nature, Organization 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 IIA and IFC-Asian Development Bank
- India-Euro Dollar and Eurocurrency Markets.

MODULE 3: STOCK EXCHANGE – FUNCTIONS AND OPERATIONS

- Nature and functions of stock exchanges-
- Stock exchanges in India: NSE –Problems in NSE operations - BSE and ICSE
- Over the counter exchange of India (OTCEI)-Advantages of OTCEI-Listing procedures of OTCEI-Trading in OTCEI

- National Commodities and Derivatives Exchange Ltd (NCDEX)-Stock exchange indices and its construction – Nifty (Mini Nifty, Sectoral indices like Bank Nifty), Sensex.
- Market players: individual retail investors, institutional investors (mutual funds, banks, insurance companies and hedge funds), corporations and foreign institutional investors (FIIs).
- Dematerialization and depository system-Advantages of depositories-Major depositories (NSDL&CDSL).
- Credit Rating Agencies (CRISIL, ICRA, CARE). Speculation and other Issues in stock market (Insider trading).
- Regulatory aspect: SEBI.

MODULE 4: STOCK MARKET TRADING IN INDIA

- Basic requirements for Stock Investment/Trading (Stock Broker, Saving Account, Demat Account, Trading Account, Internet Facilities).
- Types of investment in stock market (short term and long-term investment).
- Methods of buying and selling stocks (Market order, Limit order and Stop loss order).
- Types of stock trading (Day trading and Delivery trading). Online share trading and Offline share trading.
- Current Settlement System in the stock market.
- Tax implications of investing in stocks (Exemption of dividend and long-term capital gains from tax).
- Basic Concepts in share trading –Open, High, Low, Close, Volume, Bid price, Offer price, Bid quantity, Offer quantity, Short selling, Penny stocks, Large cap stocks, Mid cap stocks, Small cap stocks, Transaction cycle, Margin trading, Bull phase, Bear phase, Dividend(interim and final dividend)and Bonus shares. Brokerage charge and Securities transaction tax.

Module 5: CREDIT MARKETS

- Credit Markets-Formal and Informal credit, Role of Credit,
- NBFI's- Role and functions, Growth and impact on Indian Economy,
- Development Banks-role and functions, Investment Banking and Merchant Banking,
- Mutual Fund: Liquid Funds, Debt Funds, Equity Funds, and Balanced Funds, NAV of mutual fund schemes. Systematic Investment Plan (SIP) - Venture capital funds
- Banking sector Reforms
- Insurance markets in India –Structure and composition –Insurance sector reforms- IRDA

Module 6: MARKET FOR DERIVATES AND SECURITY ANALYSIS

- Economics of Derivates (Forwards, Swaps, Futures and Options), Futures Contracts-Pricing of Future Contracts, Hedging with Future Contracts, Financial Futures, Commodity Futures, Use of Future Contracts
- Economics of Options Contracts-Call Option, Put Option, Option Premium, Pay Offs of option before expiration, Major factors in Option Pricing: Intrinsic value and Time value. Hedging Strategies in Futures and Options: Short Hedges and Long Hedges.
- Risk and financial assets-Types of risks-Assets
- Valuation of securities-Factors affecting security prices –Security Analysis-Fundamental analysis-PE Ratio (price to earnings), EPS(earnings per share),Book value (price to book value ratio),Working Capital Ratio, Return on

Equity Ratio (ROE), Debt Equity Ratio, Dividend yield, Price-Sales Ratio (P/S ratio), -Technical Analysis: Significance of Trend lines, Dow Theory and Elliot -Wave Theory-Efficient Market Hypothesis (Weak Form, Semistrong form, Strong form), Port Management: Definition, Objectives and Markowitz Portfolio Theory, Sharpe Ratio
Module 7: PRACTICAL SESSION

- Online trading-live markets-trade related aspects and derivatives

Industrial Economics

Topics Removed

Module -I

- Concepts - plant, firm, cartel, MRTP Company, industry, Industrial structure, Market, Market Structure.
- Small scale Industry in India importance, problems and State policy.
- Technology and development -Traditional, modern, intermediate and appropriate technologies.

Module -II

- Marginal and Managerial theories, marginal cost pricing VS full cost pricing- corporate form of organization - pricing decision- administered prices.

Module -IV

- Pattern and phases of industrial growth in India - Liberalization and Privatization - Role of public sector

Module -V

- 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 joint ventures abroad.

Module -VI

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

Topics Added

Module -I

- Market Power-Market concentration and its relationships. Industrial efficiency -Determinants, Efficiency and decision-making process.

Module -II

- Transaction cost theory, Property Right theory, Agency theory and Resource Based theory.

Module -III

- Theories of Industrial Location -August Losch.
- Industrial Locational trends in India.

Module -IV

- Structure of industrial labour -Employment dimensions of Indian industry.
- Industrial legislation, industrial relations, Exit policy and Social security- Wage and problems of bonus.
- Industrial labour-Problems, policies and reforms in India-unorganized labour market.

- Government regulations of industry-need for government intervention, the ways and means of government regulations, social control over industry, the legal framework of industrial regulation in India

Module –V

- Importance of industrial finance –Sources of finance: Internal and External.
- Indian Industrial Finance: IDBI, IFCI, SFCs, SIDC, Commercial and cooperative banks, Share market, Insurance companies, Pension Funds, NBFIs etc.
- Foreign capital-components, need, government policy towards foreign capital.
- Foreign capital and collaboration.

Module –VI

- Bases for International Trade- Firms, Markets and International Trade-Protection and Domestic Market Power-Dumping-Multinational Enterprises (MNEs).

The other important points of discussion came at the meeting and the decisions made/suggestions proposed thereof are:

- The number of references should be precise and concise and add journal papers as references to boost the academic exposure to the students.
- Articles based on the Scopus index is to be added as reference and keep the principal reference text books as minimum as possible.
- Open book exam should be introduced and add innovative questions during these exams.
- The faculty members should restrain from giving notes to the students.
- The syllabus should contain course specific outcomes and publish it in college website.
- The programme should include interdisciplinary papers and skill enhancing papers into the syllabus.
- Add text books which had more citation index.
- Include software analysis to the syllabus like SPSS, EViews, and Excel so as to put more importance on practical orientation
- Microsoft Excel and its practical aspects should be included in the syllabus. Include application-based questions for the exams and to give data visualization classes as part of the syllabus.
- Importance should be given to the journal papers so as to increase the orientation of student's towards research and a tie up with the department of computer applications was also suggested.
- The faculty members should encourage the students to use online learning platforms. Courses offered by IMF and Behavioral Economics as a new subject should be explored.
- Mr. Cedric Lawrence also suggested to have a tie up with the Department of Economics and RBI, Cochin Campus.
- One Seminar every six months and an international seminar every two years is to be conducted.

- The board of studies members once again emphasized on the software packages such as Excel, SPSS and python and to encourage the students to take course from Swayam.
- Emphasize was given to Behavioral Economics and its need to be included as part of the syllabus.

Ms Minu Elza proposed Vote of Thanks and the meeting came to an end at 02.30 pm