

Revised

As per letter No. AA/ICD/2018-19/542-

**UNIVERSITY OF MUMBAI**

No. UG/58 of 2018-19

dt. 10/10/2018

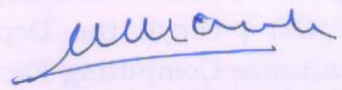
**CIRCULAR:-**

Attention of the Principals of the Affiliated Colleges and Directors of the recognized Institutions in Humanities Faculty is invited to this office circular No. UG/270 of 2017-18, dated 26<sup>th</sup> October, 2017 relating to syllabus of Bachelor of Arts.

They are hereby informed that the recommendations made by the Board of Studies in Economics at its meeting held on 18<sup>th</sup> May, 2018 have been accepted by the Academic Council at its meeting held on 14<sup>th</sup> June, 2018 vide item No. 4.3 and that in accordance therewith, the revised syllabus as per the (CBCS) for the T.Y.B.A. in Economics – Sem V & VI has been brought into force with effect from the academic year 2018-19, accordingly. (The same is available on the University's website [www.mu.ac.in](http://www.mu.ac.in)).

MUMBAI – 400 032

To 6<sup>th</sup> June, 2018  
July

  
(Dr. Dinesh Kamble)  
I/c REGISTRAR

The Principals of the affiliated Colleges and Directors of the recognized Institutions in Humanities Faculty. (Circular No. UG/334 of 2017-18 dated 9<sup>th</sup> January, 2018.)

**A.C./4.3/14/06/2018**

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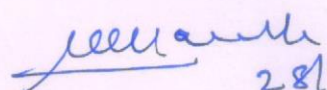
No. UG/58 -A of 2018

MUMBAI-400 032

6<sup>th</sup> June, 2018  
July

Copy forwarded with Compliments for information to:-

- 1) The I/c Dean, Faculty of Humanities,
- 2) The Chairman, Board of Studies in Economics,
- 3) The Director, Board of Examinations and Evaluation,
- 4) The Director, Board of Students Development,
- 5) The Professor-cum-Director, Institute of Distance and Open Learning (IDOL),
- 6) The Co-Ordinator, University Computerization Centre,

  
28/6/18  
(Dr. Dinesh Kamble)  
I/c REGISTRAR

AC 14-6-18

Item No. 4.3

# University of Mumbai

University of Mumbai



## Revised Syllabus Sem. V & Sem. VI Program: B. A. Course: Economics

(As per the Credit Based Semester and Grading System with effect from the academic year 2018-2019)

## **PREAMBLE:**

The syllabus of TYBA has been revised by keeping in view of the recent trends in the subject of economics. The Board of Studies in Economics has revised the syllabi of papers at the TYBA which will be made effective **from the Academic Year 2018-19**. In this revision, some of the existing optional papers have been replaced by new papers. A broad overview of the structure, followed by the syllabi of individual papers, is given below.

## **DURATION:**

- The course shall be a full time course.
- The duration of B.A. course shall be of Three years /Six Semesters.

FYBA: SEMESTER – I & II (One paper each semester)

SYBA: SEMESTER – III & IV (Two papers each semester)

TYBA: SEMESTER – V & VI (Six papers each semester)

## **PATTERN:**

The T.Y.B. A. [Entire Economics] Course shall have 12 papers. Every semester shall have six papers, each carrying 100 marks. However students can opt combination of any two subjects (Economics and any other subject) in which every semester shall have three papers of each subject, carrying 100 marks. Moreover, Papers IX and Papers XII of Semester V and Paper XV and XVIII Semester VI are bifurcated into 80 marks of written exam and 20 marks of project. It is hereby stipulated to have a maximum page limit of 20 for the project.

## **SCHEME OF EXAMINATION:**

The duration of the examination, paper pattern and the allotment of lectures as well as marks are given in detail as follows:

### **Duration:**

- **Three Hours** for each 100 marks paper and Two and Half an Hour for 80 marks paper.

### **Allotment of Lectures:**

- The allotment of lectures is as per the common guidelines stipulated by the Academic Council for Humanities of University of Mumbai.

### **Paper Pattern:**

- There shall be five questions each of 20 marks, for 100 marks paper divided into three sub questions (a, b, c,) with an internal option to choose any two.
- There shall be four questions of 20 marks for 80 marks paper with internal options mentioned as the same above.
- All questions shall be compulsory with internal choice within the questions.
- Questions may be subdivided into sub-questions a, b, c as mentioned earlier and the allocation of marks shall depend on the weightage given to the topic.

<b>Questions</b>	<b>Modules</b>	<b>Marks</b>
Qn.1	Unit I	20
Qn.2	Unit II	20

Qn.3	Unit III	20
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Qn.4	Unit IV	20
Qn.5	4 Sub-questions from Unit I, II, III & IV	20

### **COURSE STRUCTURE**

(APPLICABLE FROM ACADEMIC YEAR 2018 2019)

#### **TYBA (SEMESTER –V)**

<b>COURSE CODE</b>	<b>REVISED PAPER</b>		<b>CREDIT</b>	<b>MARKS</b>
<b>GROUP-I : CORE PAPERS</b>				
<b>ECOMIE501</b>	<b>VII</b>	<b>MICROECONOMICS- III</b>	<b>4</b>	<b>100</b>
<b>ECODEV502</b>	<b>VIII</b>	<b>ECONOMICS OF DEVELOPMENT</b>	<b>4</b>	<b>100</b>
<b>GROUP-II :ELECTIVE PAPERS</b>				
<b>ECOFEA503</b>	<b>IX</b>	<b>FINANCIAL ECONOMICS</b>	<b>3</b>	<b>80</b>
<b>OR</b>				
<b>ECOEACB503</b>	<b>IX</b>	<b>ECONOMICS OF AGRICULTURE AND COOPERATION</b>	<b>3</b>	<b>80</b>
<b>OR</b>				
<b>ECOILEC503</b>	<b>IX</b>	<b>INDUSTRIAL AND LABOUR ECONOMICS</b>	<b>3</b>	<b>80</b>
<b>OR</b>				
<b>ECOMSEAA504</b>	<b>X</b>	<b>MATHEMATICAL AND STATISTICAL TECHNIQUES FOR ECONOMIC ANALYSIS</b>	<b>4</b>	<b>100</b>
<b>OR</b>				
<b>ECORMB504</b>	<b>X</b>	<b>RESEARCH METHODOLOGY</b>	<b>4</b>	<b>100</b>

<b>OR</b>				
<b>ECOEHIC504</b>	<b>X</b>	<b>ECONOMIC HISTORY OF INDIA</b>	<b>4</b>	<b>100</b>
<b>OR</b>				
<b>ECOIEA505</b>	<b>XI</b>	<b>INTRODUCTION TO ECONOMETRICS</b>	<b>4</b>	<b>100</b>
<b>OR</b>				
<b>ECOMMEB505</b>	<b>XI</b>	<b>MATHEMATICAL METHODS IN ECONOMICS</b>	<b>4</b>	<b>100</b>
<b>OR</b>				
<b>ECOENVC505</b>	<b>XI</b>	<b>ENVIRONMENTAL ECONOMICS</b>	<b>4</b>	<b>100</b>
<b>OR</b>				
<b>ECOHET506</b>	<b>XII</b>	<b>HISTORY OF ECONOMIC THOUGHT</b>	<b>3</b>	<b>80</b>

## MICROECONOMICS III: PAPER VII

### SEMESTER –V

COURSE CODE	PAPER TITLE	CREDITS	MARKS
GROUP - I	CORE PAPERS		
ECOMIC501	MICROECONOMICS III : PAPER VII	4	100

#### Preamble:

*The course is designed to provide sound understanding in microeconomic theory. Since students have been taught perfect competition, this course focuses on three aspects, which are the study of imperfect competition, general equilibrium and welfare economics.*

#### **Module 1: Monopoly**

Sources of monopoly - Profit maximising monopoly – Calculation of price, output and profit for a monopoly- Price discrimination: First, Second and Third degree- Public policy towards monopoly.

#### **Module 2: Basics of Game theory**

Prisoner’s Dilemma – Dominant strategy equilibrium – Battle of sexes game – Nash equilibrium – Extensive form games – Game tree.

#### **Module 3: Oligopoly**

The Cournot model – The Bertrand model – The Edgeworth model – The Chamberlin model – The Kinked demand curve model – Collusion and Cartels – Price Leadership.

#### **Module 4: General Equilibrium and Welfare Economics**

Interdependence in the Economy – General Equilibrium and its Existence -The Pareto Optimality Condition of Social Welfare, Marginal Conditions for Pareto Optimal Resource Allocation.

Perfect Competition and Pareto Optimality – Kaldor- Hicks Compensation Criterion - Arrow’s Impossibility Theorem.

#### **References:**

1. Koutsoyannis, Modern Microeconomics, Macmillan Press Ltd., London, 1975.
2. Mankiw, N. Gregory, Principles of Microeconomics, Cengage Learning, 2015.
3. Mansfield, Edwin, Micro-economics: Theory & Applications, 5<sup>th</sup> edition, W.W. Norton & Company, New York, 1985.
4. Sen Anindya, Microeconomics: Theory and Applications, Second edition Oxford University Press, New Delhi, 2007.
5. Salvatore, D. Microeconomics : Theory and Applications , New Delhi Oxford, New Delhi, Oxford University Press 2006.
6. R.Gibbons , A Primer in Game Theory, Harvester Wheatsheaf, 1992.

## **ECONOMICS OF DEVELOPMENT: PAPER VIII**

### **SEMESTER –V**

<b>COURSE CODE</b>	<b>PAPER TITLE</b>	<b>CREDITS</b>	<b>MARKS</b>
<b>GROUP -I</b>	<b>COMPULSORY PAPERS</b>		
<b>ECODEV502</b>	<b>ECONOMICS OF DEVELOPMENT :PAPER VIII</b>	<b>4</b>	<b>100</b>

#### **Preamble:**

*This course is designed to inculcate diverse concepts related to economic growth and development by giving special emphasis on structural issues related to the process of development. In order to create an awareness on policy options, the pressing problems on the path of development such as inequality, poverty and technological aspects are dealt in.*

#### **Module1:Concepts of Economic Growth and Development:**

Meaning of Growth and Development – Distinction between growth & development– Concept of human development. HDI, GDI, Sustainable development – Green GDP – Three core values of development – Capability Approach.

#### **Module 2:Structural Issues in Development Process:**

Big push theory – Theory of human capital – Role of Education, Health & nutrition in economic development- Schumpeter’s theory of development, Dual economy models of growth, Solow’s growth model.

#### **Module 3:Inequality, Poverty and Development:**

Measures of poverty and inequality – Kuznet’s inverted U-hypothesis – Policy options for poverty alleviation – Inclusive growth – Self Help Groups and Micro Finance.

#### **Module 4:Technology and Economic Development:**

Role of Infrastructure in economic development –Role of technology in economic development, Types of technical progress –Schumacher’s Concept of Intermediate/ Appropriate technology, Green technology.

#### **References:**

1. Todaro, Michael P. and Stephen C. Smith. Economic Development, 8e. Delhi: Pearson Education, 2003.
2. Thirlwall, A.P. Growth and Development 8e. New York: Palgrave MacMillan, 2005.
3. Meier, Gerald M. and James E. Rauch. Leading Issues in Economic Development, 8e. New Delhi: Oxford Univ. Press, 2006.
4. Mamoria, Joshi, Principles and practice of marketing in India, Kitab Mahal, 1979.
5. Boldwin, Economic Development: Theory, History and Policy, Willy Publishers, 1957
6. Sinha Francis, Microfinance self Help Groups in India: Living up to Their Promises, Practical Action Publishing, England, 2009.



# INDUSTRIAL AND LABOUR ECONOMICS: PAPER IX

## SEMESTER V

COURSE CODE	PAPER TITLE	CREDITS	MARKS
GROUP - II	ELECTIVE PAPERS		
ECOILEC503	INDUSTRIAL AND LABOUR ECONOMICS : PAPER IX	3	80

### **Preamble:**

*There has been a paradigm shift in the structure of the Indian industrial sector and the policies governing it ever since the new era of globalisation and liberalisation has ushered in. This paper intends to equip the students with the knowledge about the fundamentals of Industrial Economics and also the changing policies related to the Indian industry in the globalised era.*

### **Module 1: Introduction**

Meaning and Scope of Industrial Economics, Industrial Profile : Private sector - Performance and Problems; Cooperatives - features, types, merits and demerits; Public Sector - Role, Performance and Problems, Diversification and Industrial Combinations - Motives for Mergers and Acquisitions.

### **Module 2: Industrial Location and Problem of Regional Imbalance**

Determinants of Industrial Location, Theories of Industrial Location - Weber's and Sargent Florence's Theories, Dispersion of Industries and the Problem of Regional Imbalance

### **Module 3: Industrial Productivity and Industrial Sickness**

Concept and Measurement of Industrial Productivity, Factors Affecting Industrial Productivity, Industrial Sickness - Causes, Effects and Remedial Measures, Rationalisation - Concept, Aspects and Impact

### **Module 4: Industrial Development in India**

New Industrial Policy, 1991; Disinvestment Policy; FIPB Revamp- Micro, Small and Medium Enterprises Development Act, 2006; National Manufacturing Policy, 2011, Recent Trends in India's Industrial Growth, Industrial Policy, 2012, Role of MNCs in the Indian Economy - Merits and Demerits, Issues in Industrial Proliferation and Environment Preservation; Pollution Control Policies.

### **References:**

1. Agrawal A.N, Indian Economy, New Age International Publishers, New Delhi, 2011.
2. Barthwal R.R, Industrial Economics, New Age International Publishers, NewDelhi, 2007.
3. Cherunilam. F, Industrial Economics: Indian Perspective, Himalaya PublishingHouse, Mumbai, 1994.
4. Datt R. and Sundaram K.P.M, Indian Economy, S.Chand& Co., New Delhi, 2009.
5. Desai S.S.M. and Bhalerao N, Industrial Economy of India, Himalaya Publishing House, Mumbai, 2008.
6. Kuchhal S.C, Industrial Economy of India, Chaitanya Publishing House, Allahabad,1980.

## **RESEARCH METHODOLOGY: PAPER X**

### **SEMESTER V**

<b>COURSE CODE</b>	<b>PAPER TITLE</b>	<b>CREDITS</b>	<b>MARKS</b>
<b>GROUP - II</b>	<b>ELECTIVE PAPERS</b>		
<b>ECORMB504</b>	<b>RESEARCH METHODOLOGY : PAPER X</b>	<b>4</b>	<b>100</b>

**Preamble:**

*This paper is designed with the view to introduce the concepts, principles and methods of economic research based on qualitative and quantitative data. The course will enable the students to get an insight into the applications of modern analytical tools and techniques related economic decision making. The student gets an opportunity to learn how to collect and analyze primary and secondary data. Practical sessions will strengthen the knowledge related to computer applications to research analysis.*

**Module 1: Introduction to Concept of Research:**

Nature, Scope & Purpose of social research - Basic assumptions of research - Significance and objectivity in social sciences research - Types of research: pure & applied research; formulative or exploratory research; descriptive research, historical research, experimental research, survey research - Ethical issues and major difficulties relating to research .

## **Module 2: Elements of Research Methodology:**

Steps in Research process: Identification, selection and formulation of research problem – sources of research problem – criteria of a good research problem - Review of literature - Formulation of hypothesis - Preparing Research Design: Definition, Concepts, and types– exploratory, descriptive and diagnostic, experimental and Analytical research designs – Collection and analysis of the data - Interpretation and report writing.

Use of web search in research process- introduction to Internet and WWW - Using search engine like Google, Yahoo etc. Use of advanced search techniques.

## **Module 3: Sources of Data for Research:**

Types of data sources: Primary and Secondary - Primary data-Meaning and Collection methods - Observational method - Interview technique - Design of Schedule and Questionnaire - Survey method and Field Visits - Case Study as a method.

Major Sources of Secondary data: Meaning, advantages, Relevance, limitations and cautions of secondary data.

Sampling Technique: Census and sample survey- Essentials of a good Sampling - Advantages and limitations of sampling, Methods of sampling: Random sampling : Simple or Unrestricted Random Sampling- Mixed or Stratified Random Sampling, Systematic or Quasi Random sampling – Multistage or Cluster Random Sampling - Sequential Random Sampling, Non random sampling : Judgement or Purposive sampling–Convenience sampling accidental sampling – Quota sampling, Selecting an appropriate sampling technique- Sampling and Non-sampling errors - Sample size.

## **Module 4: Processing and Analysis of Data**

Classification, Tabulation and Graphical presentation of socio-economic data - An introduction to Statistical Analytical Tools – Measures of Central Tendency – Measures of Variation: absolute and relative measures – Quartile deviation, standard deviation, coefficient of variation- Skewness: meaning and Measurement (Karl Pearson’s and Bowley’s methods) - Basics of Computer Applications in Data organization & Data Processing, Introduction to spreadsheet application, features and functions, Using formulas and functions, Data storing, Features for Statistical data analysis, Graphical representation of data, Generating charts/ graph and other features.

### **References:**

1. Goode J. William & Hatt K. Paul, Methods in social Research, New York, McGraw-Hill, 1952.
2. Kothari, C.R., Research Methodology: An Introduction, Delhi, New Age, 2004.
3. Krishnaswami, O.R & M. Ranganatham ,Methodology of Research in Social Sciences, Himalaya Publishing House, Mumbai, 2011.
4. P. Saravanel, Research Methodology, KitabMahal, Allahabad, 1987.
5. Gupta S. P., Statistical Methods, Sultan Chand and Sons, New Delhi, 2014 .
6. Rajaram V., Fundamentals of computers, Prentice Hall of India, New Delhi, 1996.

## ENVIRONMENTAL ECONOMICS: PAPER XI

### SEMESTER V

COURSE CODE	PAPER TITLE	CREDITS	MARKS
GROUP - II	ELECTIVE PAPERS		
ECOENVC505	ENVIRONMENTAL ECONOMICS: PAPER XI	4	100

#### **Preamble:**

*This course focuses on economic causes of environmental problems. In particular, economic principles are applied to environmental questions and their management. Economic implications of environmental policy are addressed as well as valuation of environmental improvements.*

#### **Module1: Introduction to Environmental Economics:**

Introduction to environmental development and environmental economics, Rio-Declaration on environmental development, Agenda 21 programme of action for sustainable development, Social and economic dimensions, Conservation and management of resources for development.

#### **Module 2: The design and implementation of Environmental Policy:**

Overview - Criteria for evaluating environmental policies; Standards, Pigovian taxes and effluent fees, tradable permits, choice between taxes and quotas, implementation of environmental policy.

#### **Module 3: Measuring benefits of environmental improvements**

Economic value of Environment- Use and Non-use values-Measurement method:-market based and non-market based methods, contingent valuation, travel cost method, hedonic price method, risk assessment and perceptions.

#### **Module 4: Environmental problems:**

The global environment- Trans-boundary environmental problems, economics of climate change, International environmental Agreements - , sustainable development: Concepts and measures.

#### **References:**

1. Barry C. Fields: Environmental Economics : An Introduction, McGraw Hill International Edition, 1997.
2. Charles Kolstad : Environmental Economics, Oxford University Press, New York, 2000.
3. Kaltschmitt, Martin, Streicher, Wolfgang, Wiese, Andreas, Renewable Energy: Technology, Economics and Environment, Springer, Germany, 2007.
4. Hanley Nick, Shogren Jason and White Ben: Introduction to Environmental Economics, Oxford University Press, 2001.
5. Smith Stephen: Environmental Economics: A very Short Introduction, 1st Edition, Oxford University Press, New York, 2011.
6. United Nations Sustainable Development, UN Conference on Environment & Development, Rio de Janeiro, Brazil, Agenda 21, <https://sustainabledevelopment.un.org/content/documents/Agenda21.pdf>, 1992.

### **HISTORY OF ECONOMIC THOUGHT: PAPER XII SEMESTER V**

<b>COURSE CODE</b>	<b>PAPER TITLE</b>	<b>CREDITS</b>	<b>MARKS</b>
<b>GROUP - II</b>	<b>ELECTIVE PAPERS</b>		
<b>ECOHET506</b>	<b>HISTORY OF ECONOMIC THOUGHT: PAPER XII</b>	<b>3</b>	<b>80</b>

#### **Preamble:**

*This course provides basic understanding about the celebrated economists and their contributions starting from the classical period. It throws light on the contributions of Nobel Laureates of recent period too.*

#### **Module 1: Classical Period**

Adam Smith - division of labour, theory of values, capital accumulation, distribution, David Ricardo- Value, theory of rent, distribution. Karl Marx - dynamics of social changes, theory of values, surplus value, profit and crisis of capitalism and Contemporary Relevance.

#### **Module 2: Marginalist : Marshall To Schumpeter**

Role of time in price determination , economics methods, ideas of consumer's surplus, representative firm, external and internal economies, quasi-rent, nature of profit; Pigou : welfare economics: Schumpeter: role of entrepreneur and innovation.

#### **Module 3: Keynesian Ideas:**

Liquidity Preference Theory and Liquidity trap, Consumption Function, MPC,

Multiplier & Accelerator principles and their interaction, wage rigidities, underemployment equilibrium, role of fiscal policy: deficit spending and public works, multiplier principles, cyclical behaviour of the economy.

**Module 4: Post- Keynesian Developments:**

Hayek – Supply side economics: Arthur Laffer, Evans – Monetarism: Milton Friedman’s Don Patinkin – An overview of the new classical economics: Robert Lucas.

Nobel Prize Winners in Economics: A. K. Sen (1998), Joseph Stiglitz (2001), Paul Krugman (2008), Jean Tirole (2014), Angus Deaton (2015), Richard Thaler (2017).

**Reference:**

1. Gide, O. and G. Rist , A History of Economic Doctrine, George Harrop Co., London, 1956.
2. Roll, E, A History of Economic Thought, Faber Landon, 1973.
3. Dasgupta A. K, Epochs of Economic Theory Oxford University Press. New Delhi, 1985.
4. Schumpeter, J.A, Ten Great Economist, Oxford University Press, New York, 1951.
5. Ghosh and Ghosh: Concise History of Economic Thought, Himalaya Publishers.
6. Puttaswamaiah K, Nobel Economists – Lives and Contributions, Indus Public Co., New Delhi, 1995.

**TYBA (SEMESTER –VI)**

COURSE CODE		REVISED PAPER	CREDIT	MARKS
<b>GROUP-I : COMPULSORY PAPERS</b>				
<b>ECOMA601</b>	<b>XIII</b>	<b>MACRO ECONOMICS- III</b>	<b>4</b>	<b>100</b>
<b>ECOINT602</b>	<b>XIV</b>	<b>INERNATIONAL ECONOMICS</b>	<b>4</b>	<b>100</b>
<b>GROUP-II : ELECTIVE PAPERS</b>				
<b>ECOIFSA603</b>	<b>XV</b>	<b>INDIAN FINANCIAL SYSTEM</b>	<b>3</b>	<b>80</b>
<b>OR</b>				
<b>ECOEACB603</b>	<b>XV</b>	<b>ECONOMICS OF AGRICULTURE &amp; COOPERATION</b>	<b>3</b>	<b>80</b>
<b>OR</b>				
<b>ECOILEC603</b>	<b>XV</b>	<b>INDUSTRIAL AND LABOUR ECONOMICS</b>	<b>3</b>	<b>80</b>

<b>ECOMSEA604</b>	<b>XVI</b>	<b>MATHEMATICAL &amp; STATISTICAL TECHNIQUES FOR ECONOMIC ANALYSIS</b>	<b>4</b>	<b>100</b>
<b>OR</b>				
<b>ECORMB604</b>	<b>XVI</b>	<b>RESEARCH METHODOLOY</b>	<b>4</b>	<b>100</b>
<b>OR</b>				
<b>ECOIETC604</b>	<b>XVI</b>	<b>INDIAN ECONOMIC THOUGHT</b>	<b>4</b>	<b>100</b>
<b>OR</b>				
<b>ECOTPEA605</b>	<b>XVII</b>	<b>THEORY AND PRACTICE OF ECONOMETRICS</b>	<b>4</b>	<b>100</b>
<b>OR</b>				
<b>ECOAEB605</b>	<b>XVII</b>	<b>APPLIED ECONOMETRICS</b>	<b>4</b>	<b>100</b>
<b>OR</b>				



<b>ECODTEC605</b>	<b>XVII</b>	<b>DEVELOPMENT THEORY AND EXPERIENCE</b>	<b>4</b>	<b>100</b>
<b>ECOITPP606</b>	<b>XVIII</b>	<b>INTERNATIONAL TRADE, POLICY AND PRACTICE</b>	<b>3</b>	<b>80</b>

## **MACROECONOMICS III: PAPER XIII**

### **SEMESTER –VI**

<b>COURSE CODE</b>	<b>PAPER TITLE</b>	<b>CREDITS</b>	<b>MARKS</b>
<b>GROUP -I</b>	<b>COMPULSORY PAPERS</b>		
<b>ECOMA601</b>	<b>MACROECONOMICS III: PAPER XIII</b>	<b>4</b>	<b>100</b>

#### **Preamble:**

*This course introduces the students to formal modelling of a macroeconomic theory with analytical tools. It focuses on goods market with fixed exchange rate, the money market, uncovered interest rate parity and the benefits and costs of fixed and flexible exchange rates.*

#### **Module 1: The Goods Market in the Open Economy:**

Trade Balance and its implications for GDP calculations – Export and Import Functions  
– The Real Exchange Rate and why it matters –Why equilibrium GDP is consistent with a trade imbalance? – Fiscal and Exchange Rate Policy with a Fixed Exchange Rate.

#### **Module 2: Money/Financial Markets and Mundell-Fleming Model:**

The LM equation for the open economy –Uncovered Interest Parity and its implications for exchange rate determination – The combined IS/LM/UIP model.

Fiscal and Monetary Policy under Fixed and Flexible Exchange Rates– The Mundell-Fleming trilemma.

#### **Module 3: Exchange Rate Regimes & Exchange Rate Crises:**

The choice of regime – Fixed or Flexible – The spectrum of arrangements from Hard Peg at one end to Fully Floating at the other; Why the Balance of Payments must always balance under Floating Exchange Rates but need not balance under a Fixed or Managed Exchange Rate regime.

Exchange Rate crises – The relation between Exchange Rate crises and other kinds of

crises (banking crises, financial crises, etc.).

**Module 4: International Monetary History, 1900-present:**

The Gold Standard – The Inter-War Period and the Great Depression – 1944, Bretton Woods System and its collapse ; Fixing in Europe via ERM, and the Dollar Standard elsewhere.

The Maastricht Treaty and preparations for the Euro; The Global Financial Crisis and its consequences for the Euro; The Euro Crisis, Asia Infrastructure Investment Bank (AIIB), New Development Bank (NDB).

**References:**

1. Blanchard, Oliver, Macroeconomics , Pearson education, New Delhi, India, 2008.
2. Dornbusch R S, Fischer and R Startz; Macroeconomics, 8e Tata Mc Grow Hill, New Delhi, 2004.
3. Froyen, R. T.; Macroeconomics : Theory and Policy, Pearson Education Asia, Delhi, 2001.
4. Mankiw, Gregory; Macroeconomics, 6e, Worth Publishers, New York, 2003.
5. Salvatore, D.; International Economics, Printice Hall, New York, 1997 .
6. Robert C Feenstra & Alan M Taylor , International Trade, Worth Publishers, 2014.

**INTERNATIONAL ECONOMICS: PAPER XIV**

**SEMESTER –VI**

<b>COURSE CODE</b>	<b>PAPER TITLE</b>	<b>CREDITS</b>	<b>MARKS</b>
<b>GROUP - I</b>	<b>COMPULSORY PAPERS</b>		
<b>ECOINT602</b>	<b>INTERNATIONAL ECONOMICS: PAPER XIV</b>	<b>4</b>	<b>100</b>

**Preamble:**

*This course develops a systematic exposition of models which explain the composition, direction, and consequences of international trade, and the determinants and effects of trade policy. It then builds on the models of open economy macroeconomics focussing on national policies as well as international monetary systems. It concludes with an analytical account of the causes and consequences of the rapid expansion of international financial flows in recent years.*

**Module 1: Introduction**

Importance of the study of International Economics - An overview of world trade- Distinction between domestic & international Trade -Concepts of Cost Difference , Adam Smith’s Theory of International Trade, The Ricardian Theory.

### **Module 2: Modern Theories of International Trade**

Heckshcher- Ohlin Theory of International Trade, Factor Abundance: Two Criteria, Leontief Paradox, Haberler's theory of Opportunity Cost, Law of reciprocal demand and offer curves, Role of Factor Accumulation, Stolper-Samuelson theorem.

### **Module 3: Importance of Trade and Recent trends:**

Monopolistic competition and trade - firm heterogeneity, FDI: The concept and role, FDI Inflows- FDI Outflows, and the global supply chain, Business Process Outsourcing.

### **Module 4: Trade Policy and Regionalism**

Instruments of trade policy; Why countries cooperate? -GATT, GATS, Regional Trade Agreements - controversies in trade policy (labour standards, IPR and environment) - ASEAN, SAARC, SAFTA, Protectionism.

### **References:**

1. Paul Krugman, Maurice Obstfeld, and Marc Melitz, International Economics: Theory and Policy, Addison-Wesley (Pearson Education Indian Edition), 9th edition, 2012.
2. Dominick Salvatore, International Economics: Trade and Finance, JohnWiley International Student Edition, 10th edition, 2011.
3. Gordon Hanson, „The Rise of Middle Kingdoms: Emerging Economies in Global Trade”, Journal of Economic Perspectives, Spring 2012.
4. Melitz M. and Trefler D., “Gains from Trade When Firms Matter”, Journal of Economic Perspectives, Spring 2012.
5. Kindleberger Charles P, International Economics, Homewood, USA, 1978
6. Bo Sodersten and Geoffrey Reed, International Economics, PalgraveMacmillan, 1994.

## **INDUSTRIAL AND LABOUR ECONOMICS: PAPER XV**

### **SEMESTER – VI**

<b>COURSE CODE</b>	<b>PAPER TITLE</b>	<b>CREDITS</b>	<b>MARKS</b>
<b>GROUP - II</b>	<b>ELECTIVE PAPERS</b>		
<b>ECOILEC603</b>	<b>INDUSTIRAL AND LABOUR ECONOMICS :PAPER XV</b>	<b>3</b>	<b>80</b>

### **Preamble:**

*Issues pertaining to the labour market, wage policy, trade unions and amicable solutions to industrial disputes have become vital for developing countries, especially*

*for India, where the bulk of the labour force is employed in the unorganised sector, and the organized sector is witnessing a phenomenon of 'jobless' growth. This paper intends to provide knowledge of the same and also discusses the importance of labour welfare and social security measures for the growing labour force in India.*

### **Module 1 : Introduction – Indian Labour Market**

Characteristics of the Indian Labour Market - Child Labour and Female Labour – Problems and Measures- Globalisation and Indian Labour Market -Labour Market Reforms – Exit Policy and Need for Safety Nets - Second National Commission on Labour.

### **Module 2 : Trade Unionism**

Definition and Functions of Trade Unions- Historical Evolution of Trade Unions in India and Their Present Status - Problems of Trade Unions in India - Role of Outside Leadership

### **Module 3 : Industrial Relations**

Causes of Industrial Disputes and Their Settlement Mechanism - Collective Bargaining – Concept, Features, Importance and Pre-requisites for Successful Collective Bargaining - Collective Bargaining in India - Workers’ Participation in Management –Concept, objectives and Forms of Workers’ Participation in India.

### **Module 4 : Labour Welfare and Social Security**

Concept, Theories and Principles of Labour Welfare - Agencies for Labour Welfare - Role of the Labour Welfare Officer - Social Security – Concept; Social Assistance and Social Insurance - Social Security Measures in India - International Labour Organization

and Its Impact on Indian Labour Legislations.

**References:**

1. Datt R. and Sundaram K.P.M, Indian Economy, S.Chand & Co., New Delhi, 2009.
2. Mamoria C.B. and Mamoria S, Dynamics of Industrial Relations, Himalaya Publishing House, Mumbai, 2002.
3. Mishra S.K. and Puri V.K, Indian Economy, Himalaya Publishing House, Mumbai, 2002.
4. Monappa A, Industrial Relations, Tata McGraw Hill Publishing Company Ltd., New Delhi, 2006
5. Ratna Sen, Industrial Relations in India - Shifting Paradigms, Macmillan, New Delhi, 2005.
6. Singh J.K, Labour Economics – Principles, Problems and Practices, Deep andDeep Publications Pvt. Ltd., New Delhi, 1998.

**RESEARCH METHODOLOGY: PAPER XVI**

**SEMESTER –VI**

<b>COURSE CODE</b>	<b>PAPER TITLE</b>	<b>CREDITS</b>	<b>MARKS</b>
<b>GROUP - II</b>	<b>ELECTIVE PAPERS</b>		
<b>ECORMB604</b>	<b>RESEARCH METHODOLOGY :PAPER XVI</b>	<b>4</b>	<b>100</b>

**Preamble:**

*This paper is designed with a goal to strengthen the critical thinking and listening skills in conducting economic research and to device research outcomes in an impeccable way. The entire course is based on the broad social sciences spectrum.*

**Module 1: Statistical applications in research:**

Methods of studying Correlation- measurement of simple correlation: graphic method: scatter diagram - coefficient of correlation - Karl Pearson and rank correlation interpretation of  $r = \pm 1$

Linear Regression analysis: meaning, regression lines, regression coefficients, regression equations, relationship between correlation and regression.

Analysis of Time Series – components –trend analysis- moving averages (3, 4 and 5 yearly)- method of least square.

### **Module 2: Index numbers:**

Meaning – classification – problems encountered while constructing index numbers- uses and limitation of index numbers, Methods of constructing index numbers: Simple index: i) aggregate method ii) simple average of relatives method, Weighted index: Laspeyer's, Paache's and Fisher's index – weighted average of relatives method, Chain based index – concepts of Base shifting, splicing, and deflating, Consumer price index: meaning, need and construction – methods: aggregate expenditure method and family budget method.

### **Module 3: Hypothesis formulation and Hypothesis Testing:**

Definition and functions of hypothesis –Criteria of workable hypothesis – forms and sources of hypothesis- Concepts in Testing of Hypothesis: Universe / Population, parameter and statistic, Null and Alternative Hypotheses, Levels of Significance, critical region, Type I and Type II errors - Point and Interval Estimates.

### **Module 4: Research Report Writing:**

Types of Research Report: Technical, Popular, Interim, Summary, Article- Format of a Research Report- Principles of writing the Research Report: Organization and Style - Contents-Styles of reporting- Steps in drafting Reports- Editing the final draft-Evaluating the final draft -Organization of the Research Report: Preliminaries, Contents of Report, Structuring the Report: Chapter format- Pagination- Identification- Using quotations- Presenting footnotes –abbreviations- Presentation of tables and figures- Referencing- Documentation-Use and format of appendices- Indexing - Bibliography, Appendices.

### **References:**

1. Goode J. William & Hatt K. Paul, Methods in social Research, New York, McGraw-Hill, 1952.
2. Kothari, C.R (2004) Research Methodology: An Introduction, Delhi, New Age, 2004.

3. Krishnaswami, O.R & M. Ranganathan , Methodology of Research in Social Sciences, Himalaya Publishing House, Mumbai, 2011.
4. Kumar, Renjith (2009) Research Methodology: A Step by Step Guide for Research, Delhi, Pearson Education, 2009.
5. P.Saravanel Research Methodology, KitabMahal, Allahabad, 1987.
6. Gupta S P Statistical Methods Sultan Chand and Sons, New Delhi, 1987.

# DEVELOPMENT THEORY AND EXPERIENCE: PAPER XVII

## SEMESTER VI

COURSE CODE	PAPER TITLE	CREDITS	MARKS
GROUP - II	ELECTIVE PAPERS		
ECODTEC605	DEVELOPMENT THEORY AND EXPERIENCE : PAPER XVII	4	100

### **Preamble:**

*This is the second paper of economic development sequence. The course begins with demographic concepts and their evolution during the process of development. Then it focuses on the theory migration and discusses the link between migration and development. The structure of markets and contracts is linked to the particular problems of enforcement experienced in poor countries. The course ends with the issues related to environment and development.*

### **Module I: Demography and Development:**

Demographic concepts; birth and death rates, age structure, fertility and mortality; demographic transitions during the process of development; gender bias in preferences and outcomes and evidence on unequal treatment within households; connections between income, mortality, fertility choices and human capital accumulation.

### **Module II: Structural Transformation:**

The Lewis model –Clark-Fisher model of structural change , Urbanization: Trends and Projections with reference to India, Urbanization and Development, Causes of urbanization, Urban informal sector, Policies for the urban informal sector, Migration and development, Economic theory of rural-urban migration: Harris-Todaro migration model

### **Module III: Land, Labor and Credit Markets:**

Role of Agriculture in Economic Development, Market Failure and Agriculture, The distribution of land ownership; Land reform and its effects on productivity; contractual relationships between tenants and landlords; Land Acquisition; Nutrition and Labour Productivity; Rural Credit Market; Microfinance; Inter-linkages between Rural Factor Markets.

### **Module IV: The Environment and Development:**

The core of environmental problems- Rural poverty and environmental destruction- industrialization and environmental pollution - Economic models of environmental issues: privately owned resources, common property resources, public goods: regional environmental degradation and the free rider problem, limitations of public goods



framework.

**References:**

1. Debraj Ray, Development Economics, Oxford University Press,2009.
2. Partha Dasgupta, Economics: A Very Short Introduction, Oxford University Press,2007.
3. Abhijit Banerjee, Roland Benabou and Dilip Mookerjee, Understanding Poverty, Oxford University Press,2006.
4. Amartya Sen, Development as Freedom, Oxford University Press,2000.
5. Daron Acemoglu and James Robinson, Economic Origins of Dictatorship and Democracy, Cambridge University Press,2006.
6. Michael Todaro and Stephen Smith : Economic Development,11<sup>th</sup> edition, Pearson

**INTERNATIONAL TRADE, POLICY AND PRACTICE  
: PAPER XVIII**

**SEMESTER VI**

<b>COURSE CODE</b>	<b>PAPER TITLE</b>	<b>CREDITS</b>	<b>MARKS</b>
<b>GROUP - II</b>	<b>ELECTIVE PAPERS</b>		
<b>ECOITPP606</b>	<b>INTERNATIONAL TRADE, POLICY AND PRACTICE : PAPER- XVIII</b>	<b>3</b>	<b>80</b>

**Preamble:**

*This course is designed for addressing changing phase of International Trade Policy and Practice. The main purpose of this course is to expose students to current trends in International developments.*

**Module 1 :Introduction**

Inter regional and international trade, Role of Dynamic factors i.e. change in Tastes, Technology and Role of Factor Accumulation.

Foreign Exchange Rate: Concepts - Short and Forward rates - Foreign Exchange rate determination – Fixed and flexible exchange rate – Interrelationship between exchange rates and Interest rates.

Exchange Rate system in India, managed floating, Current and Capital Account

Convertibility and their impact, FEMA.

## **Module 2: Emerging new International Economic Order**

GATT, Uruguay Round, WTO, WTO Agreement, Dispute settlement Mechanism, Impact of WTO on Emerging Economies and India, Doha Round and implications of its failure- Emergence of Regional Free Trade agreements (FTA), Bilateral Investment Treaty (BIT), Double Taxation Avoidance Agreement (DTAA).

## **Module 3 :International Financial Institutions and International Debt Problem.**

IMF, World Bank, Asian Development Bank (ADB) –New Development Bank (NDB), Asia Infrastructure Investment Bank (AIIB) and their role with special reference to India. South East Asian Crisis and Lessons for India, Global Economic Crisis, Global Financial Crisis of 2008, International Debt Problem – Emerging Global Financial Architecture.

## **Module 4: Role of Foreign Capital Flow**

Factors determining Foreign Investment, Foreign Institutional Investment (FII), Qualified Foreign Investment (QFI), Foreign Portfolio Investment (FPI), Role of FDI in Economic Development- Factors influencing FDI inflows- Green Field and Brown field FDI in India, Foreign Investment and Role of MNCs in India.

### **References:**

1. Robert J Carbaugh, International Economics, South-Western Cengage Learning, USA, 2017.
2. Paul R Krugman, Maurice Obstfeld and Melitz Mark, International Economics: Theory and Policy, Princeton University, USA, 2015.
3. Dennis R Appleyard, Alfred J Field, International Economics, McGraw-Hill, USA, 2013.
4. Robert J Carbaugh, International Economics(With Xtra! and Info Trac), South Western College Pub, 2003.
5. Kindleberger Charles P., International Economics,3rd edition, R. D. Irwin, Homewood, IL, 1963.
6. Bo Sodersten and Geoffrey Reed, International Economics, 3rd Edition, Palgrave Macmillan; (May 15, 1994)