SYLLABUS OF M.A. IN ECONOMICS OF III & IV SEMESTERS 2019-20

BENGALURU CENTRAL UNIVERSITY, CENTRAL COLLEGE CAMPUS, DR.B.R.AMBEDKAR ROAD, BENGALURU 560 001.

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THIRD SEMESTER			
III		3.1	Development Economics
III		3.2	International Economics
III		3.3	Econometrics-I
Electives			
III		3.4.1	Industrial Economics
III		3.4.2	Environmental Economics
Open Electives			
III		3.5.1	Globalization and Economy
FOURTH SEMESTER			
IV		4.1	Public Economics
IV		4.2	Econometrics-II
IV		4.3	Project Work
Electives			
IV		4.4.1	Financial Economics
IV		4.4.2	Economics of Infrastructure
IV		4.4.3	Economic Demography
IV		4.4.4	Economics and Law

Credits: 4   **Duration: 60 hours**

The Objectives set for the course are:

- To familiarize the students with the concepts, structure and current issues in economics of development.
- To acquaint them with the theories of development and growth, their applications, critics and the 'state of art' understanding.

Module I: Development and Underdevelopment (10 Hours)

Concepts of Development and Sustainable Development-Determinants

Measuring Development: conceptual modifications -Income Measures, Basic Needs Approach, PQLI and HDI and Capabilities Approach; Growth and Distributive Justice-Poverty, Inequality and Development: Measurement, Alternative Measures-Impact and Policy options; Development Gap; the inverted U-hypothesis

Module II: Economic Growth (6 Hours)

Factors affecting Economic Growth: capital, labour and technology; Historical Perspective of Economic Growth and its relevance; Structural Diversity and common characteristics of Developing nations

Module III: Theories of Economic Development (16 Hours)

Theories of development – classical theory of development, Karl Marx's theory of development, Schumpeter's theory of innovation, W.W. Rostow's stages of economic development, balanced and unbalanced growth models, Big Push theory.

Theory of Technical Dualism, Myrdal's circular causation, Unlimited supply of labour – Lewis model; Ranis – Fei model, Leibenstein critical minimum effort, Nelson's low-level equilibrium trap, Kremer's O-ring theory of economic development.

Module IV: Growth Models and New Growth Theories (16 Hours)

Harrod and Domar: Instability of equilibrium; Neo Classical Growth Models: Solow and Meade; Growth Models of Joan Robinson, Kaldor and Pasinetti.- Policy Implications

Endogenous Growth Theory: Learning by Doing and Production Function Approach to Development-Total Factor Productivity and Growth Accounting-Role of learning, education and research; Accumulation of Human Capital; Explanation of Cross-Country Differentials in Economic Growth

Module-V: The Political Institutions, State & Performance (12 Hours)
Role of institutions in Economic Development-Changing Roles of State and Market; Neo-liberal state-Issues in Governance-alternative institutional trajectories and their relationship with economic performance; within-country differences in the functioning of state Institutions; state ownership and regulation; Rent seeking and parallel economy government failures and corruption

References:

1. Amartya Sen (2000), Development as Freedom, OUP.

2. Debraj Ray. (2009), Development Economics, Oxford University Press, 2009.

3. Higgins, B. (1959), Economic Development, W.W. Norton, New York.

4. Kindleberger, C.P. (1977), Economic Development, (3rd Edition), McGraw Hill, New York.

5. Meier, G.M. (1995), Leading Issues in Economic Development, (6th Edition), Oxford University Press, New Delhi.

6. Myint, H. (1971), Economic Theory and Underdeveloped Countries, Oxford University Press, New York.

7. Partha Dasgupta, (2007), Economics : A Very Short Introduction, Oxford University

8. Pattanaik B.K (2017) Issues and Challenges of Development, Sage Texts, New Delhi Press.

9. Richard Kindle Berger J, C.P, Economic Development, McGraw Hill, New York

10. Srinivasan T.N. Ghatak, S.K. An Introduction to Development Economics, Allen

11. Syed Nawab Haider Naqvi (2015) Economics of Development, Sage Texts, New Delhi

12. Thirwal, A.P. (1999), (6th Edition), Growth and Development, Macmillan, U.K.

13. Todaro, M.P. (1996), (6th Edition), Economic Development, Longman, London.

Course: M.A. in Economics

Semester: III Semester

Type of the Course: Hard Core

Title of the Paper: 3.2: INTERNATIONAL ECONOMICS

Credits: 4   **Duration: 60 hours**

The Objectives set for the course are:

- To understand the salient features of New Trade Theories.
- To learn the analytical framework of emergence of protectionism in Global trade
- To acquaint with institutional integration of markets and terms of trade

Module 1: New Trade Theories: Salient Features (15 hours)

Neo-technological trade theories- Kravis theory of Availability, Linder's theory of Volume of Trade and Demand pattern, Posner's Imitation gap, Vernon's Product Cycle Theory.Intra-industry Trade Models- Krugman's Model (1979), Brander-Krugman Model (1983). Empirical work on Intra-industry trade-Strategic Trade Theory Models: Krugman's Model (1984), Brander and Spencer's Model (1985)-Neo –Heckscher –Ohlin Theory, Monopolistic Competition and International trade, Oligopoly and International trade.

Module II: Trade in Services (10 hours)

Emerging pattern of services trade- The scope and potential of Services trade in Developing Countries-GATS.Trade in Factors of Production and in Intermediate Good- Capital inflow and welfare- Emigration versus capital inflow- Fragmentation, Outsourcing and trade. Traded vs non-traded goods.

Module III: New Protectionism (10 hours)
The political economy of protectionism-Non-tariff barriers- Voluntary Export restraints and Import Expansion- Subsidies, Administered and Contingent Protection and fair trade: Dumping and Antidumping- Countervailing duty, Safeguard actions-Neo Protectionism.

Module IV: Economic Integration (10 hours)
Types of integration-Customs union: Partial and general equilibrium analysis-Trade creation and Trade diversion-Free trade areas, Emerging issues in SAFTA, ASEAN and EU.

Module V: Trade and Development. (15 hours)
Terms of Trade and UDCs - Theory of Immiserising growth-Dutch disease-Rybenzynski theorem – Technical progress and trade- Structural changes in trade and Economic development - Global and National scenario.

References:

1. Bhagwati,N, Panagariya, A. and T.N. Srinivasan.(1998). Lectures on International Trade, MITPress, 1998.

2. Brander James & Krugman Paul (1983)- "A Reciprocal Dumping Model of International Trade "– Journal Of International Economics, Vol. 16, Nos. 3 – 4, pp. 313 – 321.

3. Brander James & Spencer Barbara (1985) – "Export subsidy and International Market share rivalry"– Journal of International Economics, Vol. 18, Nos. 1 – 2, pp. 83 – 100.

4. Brander James (1981) –" Intra-Industry Trade in Identical Commodities" – Journal of International Economics, Vol. 11, No. 1, pp. 1 – 14.

5. Dixit A. K. & Stiglitz J. (1977) – "Monopolistic competition & Optimum Product Variety" – American Economic Review, Vol. 67, No. 3, pp. 297 -308. Economic Studies, Vol. 9, No. 1, pp. 58 -73.

6. Feenstra Robert C (2004), Advanced International Trade- Theory and Evidence, Princeton University Press, Princeton.

7. Grubel H. & Lloyd P. (1975) – Intra – Industry Trade: The Theory and Measurement of International Trade in Differentiated Products- London, Macmillan.

8. Kierzkowski (Ed) - Monopolistic Competition and International Trade – Oxford, Oxford University Press.

9. Kravis I. B. (1956) – "Availability & Other Influences on the Commodities Composition of Trade"– Journal of Political Economy, Vol. LXIV, April, pp. 143 – 155.

10. Krugman P R and Obsfeild M (2009) - International Economics- Theory and Policy, (8th Edition) Pearson, Dorling Kindersley (India) Pvt. Ltd, New Delhi

11. Krugman Paul R. &Obstfeld Maurice (2000) – International Economics – Theory & Policy - New Delhi, Addison –Wesley Longman, pp. 138 – 140.

12. Krugman Paul R. (1979) – "Increasing Returns, Monopolistic Competition and International Trade "– Journal of International Economics, Vol. 9, No. 4, pp. 469 - 479.

13. Krugman Paul R. (1984) – "Import Promotion as Export Promotion" in – Henry Kierzkowski (Ed) - Monopolistic Competition and International Trade – Oxford, Oxford

14. University Press.Rivera-Batiz.L. and M. Olivia.(2003). International Trade: Theory, Strategies and Evidence, Ch.3, Oxford University Press.

15. Linder S. B. (1961) – An Essay on Trade & Transformation - New York, John Wiley.

16. Oliver Cattaneo, (2010). International Trade in Services: New Trends and Opportunities for Developing Countries, World Bank, Washington DC.

17. Posner M. V. (1961) – "International trade & Technical change" – Oxford Economic Princeton University Press, Princeton.

18. Salvatore, D (2008) - International Economics, (8th Edition). Wiley India, New Delhi. share rivalry"– Journal of International Economics, Vol. 18, Nos. 1 – 2, pp. 83 – 100.

19. Stolper W. F. & Samuelson P. A. (1941) – "Protection & Real Wages" – Review of Economic Studies, Vol. 9, No. 1, pp. 58 -73.

20. Vernon R. (1966) – "International Investment & International Trade in the Product Cycle" - Quarterly Journal of Economics, Vol. 80, No. 2, pp. 190 – 207.

Credits: 4   **Duration: 60 hours**

The Objectives set for the course are:

- To enable students to realize the importance of measurement in Economics;
- To introduce the concept of model building in Economics & quantify it;
- To apprise the problems in the estimation of models &
- To help students develop skills of estimation of the parameters.

Module 1: Introduction to Econometrics   (10 Hours)

The concept of economic models; differences between economics & econometric models, definition & scope of econometrics, econometrics & mathematical economics, econometrics & statistics, goals of econometrics, division of econometrics, methodology of econometric research-specification, estimation, evaluation & forecasting the power of the econometric models.

Module 2: Correlation (**10 hours**)

Correlation-theory & its limitation; types of correlation, interpretation, probable error, rank correlation, categorical correlation, correlation model-linear & nonlinear-interpretation, cause & effect relationship & auto correlation

Module 3: Simple Linear Regression Model (14 Hours)

Concept of Regression – Estimation - Ordinary Least Square Method - Assumptions of OLS - Properties of OLS estimator - Gauss-Markov Theorem - Hypothesis Testing - Normality assumption for error term - t-test for individual regression coefficient - Analysis of Variance – Prediction - Mean and individual prediction.

Module 4: Multiple Linear Regression Model (12 Hours)

Estimation - Assumptions and Properties - Analysis of Variance - R-squared - Hypothesis Testing - Individual and overall model significance - t and F test.

Module 5: Relaxing Assumptions of Classical Regression (14 Hours)

Heteroscedasticity - Meaning and consequences for OLS estimator - Tests for heteroscedasticity - Remedial measures – Multicollinearity - Meaning and Consequences for OLS estimator - Tests for multicolliearity - Remedial measures – Autocorrelation - Meaning and consequences for OLS estimator -Tests for autocorrelation - Remedial measures - Specification errors.

References:

1. EricGhysels et.al. (2001). (Editors): Essays in Econometrics (Collected Papers of Clive W.J.Granger), Cambridge University Press.

2. Grene.W.H. (2007). Econometric Analysis; Pearson Education Inc. New Delhi.

3. Gujarathi D. (2005). Basic Econometrics; Tata-McGraw-Hill Edition, New Delhi.

4. Hayashi.F. (2006). Econometrics, Princeton University Press/New Age Publishers, New Delhi.

5. Johnston.J & DiNardo.J. (1997), Econometric Methods; The Tata McGraw-Hill Companies Inc. International Edition,

6. Koutsoyiannis A (2004): Theory of Econometrics, PALGRAVE, 175, Fifth Avenue, New York.

7. Lott.W.F. & SubhashC.Ray (1992). Applied Econometrics: Problems with Data Sets; The Drden Press, Nee Tork.

8. Stewart, J. and L. Gill (1998). Econometrics, Second Edition, Prentice Hall, 1998.

9. Wooldridge, J.M. (2000). Introductory Econometrics: A Modern Approach, South Western College Publications.

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Course: M.A. in Economics

Semester: III Semester

Type of the Course: Elective

Title of the Paper: 3.4.1 Industrial Economics

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Credits: 4   **Duration: 60 hours**

The Objectives set for the course are:

- To familiarize the students with the concepts such as productivity, efficiency, capacity utilization
- To acquaint them with the theories and evidence of Product pricing
- To know the industrial development of India

Module I: Frame work of Industrial Economics (8 Hours)

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

Module- II: Market Structure (12 hours)

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

Module III: Market Conduct (10 hours)

Product pricing — Theories and evidence; Investment expenditure — Methods of evaluating Investment expenditure; Theories and empirical evidence on Mergers and acquisitions (M & As) and diversification.

Module IV: Market Performance (10 hours)

Growth of the firm — Size and growth of a firm; Growth and profitability of the firm; Constraints on growth; Productivity, efficiency and capacity utilization — Concept and measurement, Indian situation.

Module V: Indian Industrial Growth and Pattern (12 hours)

Classification of industries; Industrial policy in India — Role of Public and private sectors; Recent trends in Indian industrial growth; MNCs and transfer of technology; Liberalization and privatization;
Regional industrial growth in India; Industrial economic concentration and remedial measures; Issues in industrial proliferation and environmental preservation; Pollution control policies.

Module VI: Industrial Labour (8 Hours)

Structure of industrial labour; Employment dimensions of Indian industry; Industrial legislation; Industrial relations; Exit policy and social security; Wages and problem of bonus — labour market reforms.

References:

1. Ahluwallia, I.J (1985), Industrial Growth in India, Oxford University Press, New Delhi.
2. Barthwal, R.R. (1985), Industrial Economics, Wiley Eastern Ltd. New Delhi
3. Cherumlam, F. (1994), Industrial Economics, Himalaya Publishing House, Mumbai
4. Desai, B.(1999), Industrial Economy in India, Himalaya Publishing House, Mumbai
5. Divine, P.J and Jones. R.M. et.al. (1976), An Introduction to Industrial Economics, George Allen & Unwin & R.M. Jones Ltd. London.
6. Kuchal, S.C.(1980), Industrial Economy of India, Chaitanya Publishing House, Allahabad
7. Martin, S, Advanced industrial Economics, Oxford University Press, New Delhi
8. Mookherjee, D Indian industry policies and performance, Sage Publications, New Delhi
9. Sandesara, J.C. (1992), Industrial policy and planning – 1947 – 1991: Tendencies, Interpretations and issues, Sage Publications, New Delhi

Course: M.A. in Economics

Semester: III Semester

Type of the Course: Elective

Title of the Paper: 3.4.2 Environmental Economics

Credits: 4   **Duration: 60 hours**

The Objectives set for the course are:

- To familiarize the students with the concepts of Environment Economics and its importance in welfare
- To acquaint them with the theories of environmental policy
- To understand the Environmental and Natural Resource Problems in India

Module – I: Welfare Economics and Environment (10 hours)

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

Module – II: Measurements of environmental values (16 hours)

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

Module – III: The Theory of Environmental Policy (14 Hours)

Environmental externalities — Pigouvian taxes and subsidies, marketable pollution permits and mixed instruments (the charges and standards approach), Coase's bargaining solution and collective action; Informal regulation and the new model of pollution control, Monitoring and enforcement of environmental regulation, Environmental institutions and grass root movements; Global environmental externalities and climatic change — Tradable pollution permits and international carbon tax, Trade and environment in WTO regime.

Module IV: Economics of Natural Resource Management and Sustainable Development (10 Hours)

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

Module V: Environmental and Natural Resource Problems in India (10 Hours)

Mechanism for environment regulation in India; Environmental laws and their implementation; Policy instruments for controlling water and air pollution and forestry policy; People's participation in the management of common and forest lands; The institutions of joint forest management and the joint protected area management; Social forestry — rationale and benefits.

References:

1. Baumol, W. J (1998), The theory of environmental policy, Cambridge University Press, & W.E. Oates Cambridge

2. Bromely, D.W (Ed) Handbook of Environmental Economics, Blackwell, London

3. Hussen, A.M (2004), principles of environmental economics, Routlege, London

4. Kolstad, C.D (2006), Environmental Economics, Oxford University Press, New Delhi

5. Sankar, U (Ed) Environmental Economics, Oxford University Press, New Delhi

6. Crones, R (1996), The theory of externalities and public goods, Cambridge University T. Sandler Press, Cambridge

7. Katar Singh, Anil Shishodia (2007) Environmental Economics, Sage Texts, New Delhi

Course: M.A. in Economics

Semester: III Semester

Type of the Course: Open Elective

Title of the Paper: 3.5.1 Globalization & Economy

Credits: 4   **Duration: 60 hours**

The Objectives set for the course are:
- To familiarize the students with the concepts, structure and advantages and disadvantages of Globalisation
- To acquaint them with the different forms of international financial flows.
- to make them know the impact of global crisis on Indian Economy and the lessons India can learn from it

Module I: Introduction to Globalisation (12 hours)

Concept and definition – Evolution – objectives – reasons for globalisation– process , dimensions and features –measuring the extent of globalisation – Advantages and disadvantages – gainers and losers of globalisation.

Module II   International Financial Flows (16 hours)

Foreign Direct Investment, its composition, direction and trends – factors determining FDI, - Benefits and costs – MNCs as means of global capital flows – portfolio investment – Official Development Assistance- Remittances from abroad-International Commercial borrowings

Module III: Global Crisis (16 hours)

Global Crisis- Meaning, Features, Causes- Structural causes; Types; Understanding the Global Financial Crisis,

The crisis of capital, labour, the crisis of distribution

Global melt down & the subprime crisis

Module IV: Impact of Global Crisis on Indian Economy (16 hours)

Global Financial Crisis and the Indian economy- Impact on Macro Economic Indicators- Growth rate, Investments, Trade and Capital account, Impact on various sectors- Manufacturing, Services- Banking , Impact on Various sections of society-Poor, Middle and Rich Class; Strategies and steps to reduce another Global financial crisis, Lessons for India from Global financial crisis of 2008

References:

1. Bhagawathi Jagadish (2004) In Defence of Globalisation, Oxford University Press New Delhi.

2. Clayton, Thomas. (2004). "Competing Conceptions of Globalization" Revisited: Relocating the Tension between World-Systems Analysis and Globalization Analysis. In: Comparative Education Review, vol. 48, no. 3,

3. Friedman, Milton (1993). "The Case for Free Trade". Hoover Digest. 1997 (4): 42. Bibcode:1993SciAm.269e..42B. doi:10.1038/scientificamerican1193-42. Archived from the original on 22 January 2007.

4. Global Economic & Financial Crisis; Economic & Political Weekly, Orient Blackswanan Pvt, Ltd, Hyderabad 500 013, 2009, pp 1to 368+viii.

5. Goldin Ian and Kenneth Reinert (2006), Globalisation for Development, World Bank and Palgrave Macmillan, Washington DC

6. Keat.P.G.,.Young.P.K.Y & S.Banerjee: Managerial Economics-Economic Tools for Today's Decision Makers; Pearson Education, New Delhi 110 017,2012,Second Impression

7. Petras James and Henry Vitmeyer (2001). Globalisation Unmasked, Madhyam books Delhi.

8. Rajiv Kumar, Bibek Debroy, Jayati Ghosh, Vijay Mahajan K., Seeta Prabhu (2009) Global Financial Crisis: Impact on India's Poor Some Initial Perspectives, United Nations Development Programme (UNDP) India

9. Singh Karlijit (1998) Globalisation of Finance Madhyam books New Delhi.

10. Stiglitz Joseph. E (2002) Globalisation and its Discontents- W.W. Norton and company New York

11. Yusuf Shahid, Simon Everert and Weiping W.U. (ed)(2001) Facets of Globalisation: International and Local Dimensions of Development, The World Bank, Washington DC

Course: M.A. in Economics

Semester: IV Semester

Type of the Course: Hard Core

Title of the Paper: 4.1 PUBLIC ECONOMICS

Credits: 4   **Duration: 60 hours**

The Objectives set for the course are:
- To enable students to understand regulatory and developmental responsibilities of the government and the changes there in
- To enumerate the theoretical and empirical dimensions of public goods and public choice, fiscal instruments
- To understand the fiscal federalism with special reference to Indian context & to understand the fiscal management issues of India.

Module I: Role of Government (10 hours)

Role of State- a historical evolution, Economic rationale of the Modern State: Market Failure and the Rationale for Government Intervention; Natural Monopolies; Asymmetric Information; The Problem of Externalities and their Internalization - Government failure.

Module II: Theory of Public Goods and Public Choice (12 hours)
Concepts, Characteristics of Public Goods: Economic analysis of Public Goods, Efficient Provision of public good; Partial Equilibrium Analysis, Optimal Provision of Public Good; General Equilibrium Analysis. Merit goods, Impure Public Goods and The Theory of Clubs: Buchanan Model-Tiebout Model, Common property Resources; Tragedy of the commons. Public Choice theory: Problem of Collective Choice Defined, Majority Voting, An economic Theory of politics.

Module III: Fiscal Policy Instruments (15 hours)

Fiscal policy for Stabilization: Classical and Keynesian - Principles of Taxation: Benefit and ability to pay approaches; Theory of Tax Incidence; Theory of optimal Taxation: Trade-off between equity and efficiency; Theory and measurement of dead weight losses- The Problem of Double Taxation. Theoretical and Empirical Analysis of Public Expenditure: Pure Theories of Public Expenditure, Positive, applied and normative aspects of public expenditure- Wagner and Wiseman Peacock Hypothesis and their current relevance. Criteria of public Investment; Social cost- benefit analysis- Public Expenditure Management & Control: Concepts. Theories of Public debt: classical and Compensatory views; Sources of Public debt; Burden of Public Debt; Principles of Management and Repayment.- Intergenerational issues and debt sustainability

Module IV: Fiscal Federalism: Theory and Practice (10 hours)
Principles of Federal (Multi Unit) Finance: Imbalances in Federal Finance; Vertical and horizontal imbalance; Fiscal federalism in India: Transfer mechanisms- Finance Commissions and their impacts, Constitutional Assignment of State - Local finance in India:

Issues in Fiscal Decentralisation in India in the context of 73rd and 74th constitutional amendments, State Finance Commissions

Module V: Indian Public Finance: Current Scenario (13 hours)
Public budgeting- concepts, principles, practices and reforms, Debates on Fiscal Consolidation and policy measures in India: Revenue, Fiscal and Primary Deficits; Fiscal Responsibility and Budget Management Act- Budget Analysis.
Indian Tax System: An Assessment; Tax and non- Tax Revenue of the Union, States and local bodies; VAT, CENVAT, Design and implementation of Goods and Services Tax (GST), Tax administration and implementation Issues in Tax reforms in India. - Structure, Trends and Pattern of Public Expenditure in India- Public debt in India: liabilities, Growth and Problem

References:

1. Alan J. Auerbach and Martin Feldstein, (1985 & 1987) Handbook of Public Economics, Vol. 1 & 2, Elsevier, Amsterdam, North Holland.

2. David N. Hyman: Public Finance: A Contemporary Application of Theory to Policy, 8th Edition, (2005) Cengage Learning.

3. Dennis C. Mueller, (2003) "The size of government", In Public Choice III, Cambridge, University Press, Cambridge.

4. Francesco Forte (2011) Principles of Public Economics a Public Choice Approach,

5. Gayithri, K (ed) 2018, Public Budgeting in India: Principles and Practices, Springer, New Delhi

6. Government of India- Comptroller and Auditor General- Reports on Union and State Finances- Annual Issues
7. Government of India- Economic Survey- Annual Issues
8. Government of India- RBI State Finances- Annual Issues
9. Hindriks J and Myles GD. (2006), Intermediate Public Economics, Prentice Hall of India, Ltd. New Delhi.

10. Joaquim Silvestre (2013) Public Microeconomics Efficiency and Equity in Public Policy, University of California, Davis, US.

11. Jonathan Gruber, (2009) "Public Goods", In Public Finance and Public Policy, Worth, Publishers, Chapter- 7.

12. Joseph E. Stieglitz, (2010), Economics of Public Sector, W.W. Norton & Company.

13. Reddy, Y.V and G.R Reddy, (2019) Indian Fiscal Federalism, Oxford

14. Rosen, Harvey: Public Finance, McGraw Hill, (2013) New York.

15. Santra (2016) India Public Finance and Policy Report 2016: Fiscal Issues and Macro Economy, Oxford. 11.

Course: M.A. in Economics

Semester: IV Semester

Type of the Course: Hard Core

Title of the Paper: 4.2 Econometrics - II

Credits: 4   **Duration: 60 hours**

The Objectives set for the course are:

- To enable students to further acquire knowledge of advanced econometrics
- To acquaint students in methods relating to both single equation and simultaneous equation
- To enable students to learn the applications of econometrics

Module I: Special problem in Single Equation Regression Model   (14 Hours)

Errors in variables - Method of instrumental variables - Distributed-lag models: specification, estimation and causality – Dummy variables - Limited dependent variables - LPM, Logit, Probit and Tobit models ; Generalised, restricted and non-linear least squares estimations

Module II: Time Series Analysis   (12 Hours)

Time Series Data: Nature, Examples, Functional Forms, Trends and Seasonality. Stationary and Unit Root Test, approaches to economic forecasting, AR, MA, ARIMA.

Module III: Introduction to Panel Data   (10 Hours)

Simple Panel Data Methods - Pooling independent cross sections across time - Policy analysis with pooled cross sections - Two period panel data analysis. Estimation of Panel data – random effects approach and fixed effects approach.

Module IV : Simultaneous Equation Approach   (14 Hours)

Simultaneous equations model - Example - Identification problems: under, exact and over tests of simultaneity and order erogeneity - Methods of estimation - ILS, 2SLS, LIML, K-Class Estimators, Simulation and Monte- Carlo Studies.

Module V: Application of Econometrics   (10 Hours)

Demand-Supply, Keynesian   income determination, wage-price, Recursive and IS-LM Models, etc

References:

1. Koutsoyiannis.A. (2004). Theory of Econometrics, Palgrave, 175, Fifth Avenue, New York, N.Y. second edition

2. Gujarathi.D. (2005) Basic Econometrics; Tata-McGraw-Hill Edition, 2004, Third Reprint 2005, New Delhi

3. Dawn C Porter, Sangetha Gunasekar and Gujarati, D.N: Basic Econometrics, 5thedition, Tata McGraw.

4. Hayashi.F. (2006) Econometrics, Princeton University Press/New Age Publishers,New Delhi, 2006,

5. Maddala, G.S. Kajal Lahiri: Introduction to Econometrics, 4th Edition, Wiley Publication.

6. J.Johnston & J.DiNardo(1997). Econometric Methods; The Tata McGraw-Hill Companies Inc.International Edition.

7. J.Y.Campbell,A.W.Lo&A.GraigMacKinlay(2006), The Econometrics of Financial Markets,New Age International Publishers,New Delhi.

8. Johnston, J. and J. Dinardo(1972) Econometric Methods, Fourth Edition, McGraw-Hill, latest edition.

9. Jonston, J. (1971), Econometric Methods, McGraw-Hill.

10. Klein, L.R (1974), A Text Book of Econometrics, Prentice Hall, Englewood Cliffs, NJ

11. Klein, L.R. (1965), An Introduction to Econometrics, Prentice Hall, Englewood Cliffs, NJ

12. Nachane (2006) Econometrics: Theoretical Foundations and Empirical Perspectives, Oxford University Press, New Delhi

13. Theil, H. (1978), Introduction to Econometrics. Prentice-Hall

14. Lott.W.F. & Subhash C.Ray (1992) Applied Econometrics: Problems with Data Sets; TheDrdenPress, Nee Tork

15. Grene.W.H. (2007), Econometric Analysis; Pearson Education Inc. New Delhi 110 092,Second Impression,

16. William H. Greene: Econometric Analysis (7th Edition), Pearson Education India.

17. Wooldridge, J.M. (2000): Introductory Econometrics: A Modern Approach, Southwestern College Publications.

Course: M.A. in Economics

Semester: III Semester

Type of the Course: Hard Core

Title of the Paper: 4.3: PROJECT WORK

Credits: 4   **Duration: 60 hours**

The Objectives set for the course are:

- To introduce students to real life situations in any human activity;
- To enable students to identify problems in any domain in Economics;
- To facilitate students to find solutions in the back ground of knowledge acquired from learning from the three semesters &
- To prepare students for skills in problem solving in the application areas in Economics.

Note:

As per BCU Regulations for Arts

10.1 The project work must be guided by teachers with research experience.

10.2 The project work will be carried out in the fourth semester, but the guide allocation and topics will be finalized in the third semester

10.3 The topics assigned by the respective guides for the project work shall be approved by the department council in third semester.

10.4 The project work dissertation will evaluated for 70 Marks and there will be viva for 30 Marks.

10.5 The Viva will be conducted by the concerned BOE in the presence of the guide.

10.6 **Project may also include field work/internship. The modalities can be worked out by the concerned teacher with the approval of department council**

The Concerned Guides are requested to see that the

1. The final project must pass through test of plagiarism/similarity test by an accepted software eg.,Turnitin or Urkund or any other standard software.

2. The similarity index should not exceed 20%.

3. The text of the project work must have a certificate of originality by the Guide/Supervisor.

INDICATIVE GUIDELINES

1. Prepare a check list for identifying a theme for the project. This can be done as a part general discussion in the third semester of the M.A. programme. The student may be allowed to choose his theme either in a concept area or in an application area. Live project may be encouraged to make student feel the problem, describe it & document in the language of research.

2. Conduct a pilot study/survey if necessary.

3. A note on significance/importance of the Study could be added.

4. Allow the student to use search engine for a broad Review of Literature.

5. Mark out Research Gap.

6. Formulate of Research Questions /Issues/Problem.

7. List out Research Objectives.

8. List Hypotheses for testing to draw conclusions (Optional).

9. Advise the student to develop a Theoretical construct (Optional for PG).

10. Develop Conceptual Framework – Conceptualization & Operationalization (precise and specific meaning of the terms/operational definitions / concepts /variables).

11. Enumerate Coverage (Universe/ Sample & period of study).

12. Evaluate secondary source(s) of problem identified.

13. Detail Data source (Primary/Secondary/online)

14. Choice of Tools of analysis (Analytical Framework) need be enumerated.

15. The Social Relevance of the study with stress on immediacy or on implications may stated.

16. Help draw limitations of the study.

17. Implications of the Study for a lead solution be highlighted.

18. Appendices

19. Bibliography

20. References

21. Webliography

Indicative outlines of the Project Report

A. Title Page/ Cover Page
a. Title page
b. Title of the project
c. Name of the candidate/candidate code
d. Degree for which project is submitted.
e. Name of the college/ Department and University
f. Month and year the project is presented

B. Declaration of the student

C. Certificate of Originality based on Similarity Index Report

D. Acknowledgments

E. Table of contents

a. List of Tables
b. List of Figures
c. Glossary
d. List of abbreviations

F. Chapter Outlines (Chapter Titles and Page Numbers)

G. Abstract/ Executive Summary (Not exceeding two pages)

H. The Main Text

a. Introductory Chapter: to cover 2 to 14 points mentioned above
b. Other Chapters - Analysis, Results Interpretation
c. Conclusion Chapter: Conclusions, Recommendations & Summary
I. End Notes (after each Chapter)
J. Bibliography (at the end of the thesis)

K. Appendices/Annexure

a. Check list
b. Questionnaire
c. Interview Schedule
d. Observation Schedule (optional)
e. Coding Frame (optional)
f. Letters sent to sample members, if any
g. First two pages of Originality Report Attested by the Student & the Guide/Supervisor
h. Any Other

Length of the Project

1. Report length, minimum of 35 pages, excluding Appendix and Certificates.
2. Alignment: Justify
3. Font: Times New roman
4. Font size: 12
5. Line spacing: 1.5
6. No Page Border

Course: M.A. in Economics

Semester: III Semester

Type of the Course: Elective

Title of the Paper: 4.4.1: FINANCIAL ECONOMICS

Credits: 4   **Duration: 60 hours**

The Objectives set for the course are:

- To familiarize the students with the concepts of Financial Economics

- To acquaint the students with the theory of Uncertainty and Mean Variance Portfolio Theory and Index Models

- To learn about fixed income Securities

Module I: Introduction to Financial Markets (12 hours)

Capital markets, consumption and investments with and without capital markets, market places and transaction costs and the breakdown of separation; Fisher separation theorem; the agency problem; maximization of shareholder's wealth

Module II: Theory of Uncertainty: (14 hours)

Axioms of choice under uncertainty; utility functions; expected utility theorem; certainty equivalence, measures of risk-absolute and relative risk aversions; stochastic dominance-first order, second order and third order; measures of investment risk-variance of return, semi-variance of return, shortfall probabilities,

Module III: Mean-Variance Portfolio Theory (12 hours)

Measuring portfolio return and risks, effect of diversification, minimum variance portfolio, perfectly correlated assets, minimum variance opportunity set, optimal portfolio choice; mean variance frontier of risky and risk-free asset, portfolio weights

Module IV: Index Models, CAPM & APT (12 hours)

Models of asset returns, multi index models, single index model, systematic and specific risk, equilibrium models-capital asset pricing model, capital market line, security market line, estimation of beta,; arbitrage pricing theory

Module V: Fixed Income Securities (10 hours)

Bond prices, spot prices, discount factors, and arbitrage, forward rates and yield-to-maturity, Price sensitivity, Hedging

References:

1. Brealey, R. and S. Myers, (1997).Principles of Corporate Finance, fifth edition, New York, McGraw Hill.

2. Copeland, T. E. and J. F. Weston, (1992). Financial Theory and Corporate Policy, Addison Wesley.

3. Elton, E.J and M.J. Gruber (1991), Modern Portfolio Theory & Investment Analysis, (fourth edition) John Wiley & Sons

4. Houthakker, H.S. and P.J. Williamson, (1996), Economics of Financial Markets, Oxford University Press.

5. Kishore, R.M.(2004), Financial Management, Taxman Allied Services

6. Pandey, I.M.(2015) , Financial Management, Vikas Publishing House, New Delhi

7. Ross, Waster Field (2008), Fundamentals of Corporate Finance, Tata McGraw Hill Education.

Course: M.A. in Economics

Semester: IV Semester

Type of the Course: Elective

Title of the Paper: 4.4.2 Economics of Infrastructure

Credits: 4   **Duration: 60 hours**

The Objectives set for the course are:
- To familiarize the students with the concepts of Economics of Infrastructure
- To acquaint wholly to issues involved in development of infrastructure
- To understand the primacy of transport, communication, energy, education and health in the development of the country

Module– I: Introduction to Economics of Infrastructure (12 hours)

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

Module– II: Transport Economics (10 hours)

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

Module – III : Communications (10 hours)

Rate- making in telephone utilities. Principles of decreasing costs in telephone industry, Characteristics of postal services, Criteria for fixation of postal rates. Measurement of standards of service in telephone and postal services.

Module– IV: Energy Economics (12 hours)

Primacy of energy in the process of economic development, Factors determining energy demand, Effects of energy shortages, Energy conservation, Renewable and non- conventional sources of energy; Energy modelling; The search for an optimal energy policy in the Indian context.

Module – V: Social infrastructure (16 hours)

Organization and financing of supply of social services. Private vs. Public Sector Financing; Recent debate about the fixation of pricing of social services.

Education and Economic Growth. Approaches to Educational Planning. Social Demand. Rate of Return and Manpower Balance Approaches. The Case for Universal, Free, Primary

Education; Structure of higher education and problems of its financing in India; The issues in education policy

Health dimensions of development; Determinants of Health — poverty, malnutrition, illiteracy and lack of information; Economic dimensions of health care — Demand and supply of health care; Financing of health care and resource constraints

References:

1. Crew. M.A and P.R.Kleindorfer (1979), Public Utility Economics, Macmillan, london.

2. Farirs, M.T & R.Sampson (1975), Public Utilities, Houghton Miffin, Boston

3. Goyal, S.K (Ed.). (1985), Public Enterprises, Indian Institute of Public Administration, New Delhi

4. Indian Council of Social Sciences Research (ICSSR) (1976), Economics of Infrastructure, Vol. VI, New Delhi.

5. Kneafsey, J.T (1975), Transportation Economic Analysis, Lexington, Toronts

6. Munty, D (Ed). (1968) Transport: Selected Readings, Penguin, Harmonds Worth

7. National Council of Applied Economic Research (NCAER) (1996), India Infrastructure Report : Policy Implications for Growth and Welfare, NCAER, New Delhi.

8. New Crew, M.A. and P.R. Kleindorfer (1979), Public Utility Economics, Macmillan, London.

9. Kleindorfer P.R, (1976) Economics of Infrastructure ICSSR Vol. VI, New Delhi

10. Pachauri, R.K (Ed) (1980), Energy Policy for India, Macmillan Co of India, New Delhi

11. Parikh, K.S. (Ed.) (1999), India Development Report — 1999-2000, Oxford, New Delhi.

12. Sampson.R., Asonofsky, J.A, Rao, M. Shakeen (Eds) : Energy Policy, North Holland, Amsterdam.

13. Urvey, R. (Ed.) (1968), Public Enterprises, Penguin, Harmonds worth.

14. Welson, J.R. Marginal Cost Pricing in Practice. Prentice Hall

Course: M.A. in Economics

Semester: IV Semester

Type of the Course: Elective

Title of the Paper: 4.4.3 Economic Demography

Credits: 4   **Duration: 60 hours**

The Objectives set for the course are:

- To familiarize the students with the concepts of Economic Demography
- To acquaint the students with quantitative and the qualitative aspects and characteristics of the population through various demographic techniques
- To understand the dynamics of Migration and Urbanisation.

Module 1: Population and Development (10 hours)

Meaning and scope of demography; Components of population growth and their inter-dependence; Measures of population change; Structure, distribution and sources of population data; Theories of population — Malthus, Optimum theory of population; Theory of demographic transition —Views of Medows, Enke and Simon; Population and development

Module – II : Structure of Population (12 hours)

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

Module – III: Fertility, Nuptiality and Mortality (12 hours)

Fertility – basic measures, TFR, GRR, NRR; levels, trends and determinants; Nuptiality — Concept and analysis of marital status, single mean age at marriage; Synthetic cohort methods; Trends in age at marriage; Mortality
— Death rates, crude and age-specific; IMR, MMR, levels, trends and determinants; life tables – construction and uses: concept of stable population projection.

Module – IV: Migration and Urbanization (12 hours)

Concept and types — Temporary, internal and international; International migration — Its effect on population growth and pattern; Factors affecting migration; Theories of migration related to internal migration; Urbanization — Growth and distribution of rural-urban population in developed and developing countries.

Module – V Population Policy in India (14 hours)

Evolution of population policy in India — the shift in policy from population control to family welfare, to women empowerment; Family planning strategies and their outcomes; Reproductive health, maternal nutrition and child health policies; Population and strategies for human development of different social groups; Social impact of new reproductive technologies and their regulation; The population policy 2000; UN World Population Prospects (revision 2015) and estimated population of India

References:

1. Agarwala S.N. (1972), India's Population Problem, Tata McGraw-Hill Co., Bombay.

2. Bogue, D.J. (1971), Principles of Demography, John Wiley, New York

3. Bose, A. (1996), India's Basic Demographic Statistics, B.R. Publishing Corporation, New Delhi

4. Chenery H. and T.N. Srinivasan (Eds.) (1989), Hand Book of Development Economics, Vol.1 & 2 Elsevier, Amsterdam.

5. Choubey, P.K. (2000), Population Policy in India, Kanishka Publications, New Delhi.

6. Coale A.J. and E.M. Hoover (1958), Population Growth and Economic Development in Low Income Countries: A Case Study of India's Prospects, Princeton University Press, Princeton.

7. Gulati, S.C. (1988), Fertility in India: An Econometric Study of a Metropolis, Sage, New Delhi.

8. Mishra, S. Voluntary Action in Health and Population, Sage, New Delhi

9. Novell, C. Methods and Models in Demography, Bellhaven Press, London

10. Simon, J. L Population & Development in poor countries, Princeton University Press

11. Srinivasan, K. Basic Demographic Techniques and Application, Sage, New Delhi

Course: M.A. in Economics

Semester: IV Semester

Type of the Course: Elective

Title of the Paper: 4.4.4 Economics and Law

Credits: 4   **Duration: 60 hours**

The Objectives set for the course are:

- To familiarize the students with the concepts of Economics and Law
- To acquaint the students to comprehend the basic economic issues affecting the economy along with the related legal provision
- To understand the consequences of legal rules, primarily as an exercise in applied microeconomics, macroeconomics, industrial and international economics

Module I: Method of Law and Economics (12 hours)

Economic Analysis of Law: Why lawyers study economics and economists study law, Law in L&E and Economics in L&E, Positive and normative approach of L&E, Criteria for analyzing legal and economic issues – Efficiency criteria – Pareto, Kaldor-Hicks and Nash Equilibrium, Fairness Criteria – Markets and efficiency and Market failure – Coase Theorem –Civil Law and Common Law traditions – Indian Court Structure – Nature of legal disputes, evolution of legal rules

Module II: Economic Analysis of Property Rights (12 hours)

The Nature and Function of Property Rights: the definition – emergence – incentives enforcement of property rights – Property Law and Coase Theorem – Normative Coase and Hobbes Theorem - Acquisition and Transfer of Property – Limited and Divided Ownership – Public Property – Eminent domain and regulation of property

Module III: Economic Analysis of Contract and Consumers (12 hours)

Complete and Incomplete Contracts: Bargaining theory – Economic Theory of Contract – Remedies as Incentives - The Elements of Valid and Invalid Contracts, Contracts and Efficient, Exchange – Performance of Contract and Breach – Duress - mutual assent – Fraud Mistake –Disclosure - Efficient Breach Model – Specific Performance, Self-Enforcement of Contracts

Module IV: Economic Analysis of Crime and Punishment (12 hours)

Distinguishing Crimes and Torts - Property Rules, Liability Rules, and Criminal Sanctions, The Economic Model of Crime - The Offender's Decision to Commit a Crime and the Supply of Offenses, Does punishment deter crime - Optimal Punishment, The Optimal Fine, Gain Versus Harm-Based Fines, Fines and Imprisonment, Economics of the Death Penalty, Constitutional Issues, The Bail System, Private Protection, Plea Bargaining

Module V: Legal Structures of Business and Economic Organizations (12 hours)

Corporations as Legal Entity – Governance of Capital, Shares, Debentures through Law – Legal Structure of Economic Institutions: RBI, IRD, MRTP, Competition Commission, SEBI –Rules of Merging and Acquisition – Distributive Justice under Property, Contract and Liability –Efficiency and Equity Principal for Taxation Law – Centre State Relations and Legality for Efficiency – Trade Agreements : WTO, GATT, TRIPS AND TRIMS, FEMA, Regional Trade Agreements

References:

1. Becker, Gary (1968) "Crime and Punishment: An Economics Analysis," Journal of Political Economy, Vol. 76,

2. Brown, John (1973) "Toward an Economic Theory of Liability," Journal of Legal Studies,Vol. 2, pp. 323-349.

3. Calabresi, Guido (1961) Some Thoughts on Risk Distribution and the Law of Torts, The YaleLaw Journal, 70, 4,

4. Calabresi, Guido, and A. Douglas Melamed (1972) "Property Rules, Liability Rules, and Inalienability: One View of the Cathedral," Harvard Law Review, Vol. 85: 1089-1128.

5. Coase, Ronald (1960) "The Problem of Social Cost," Journal of Law and Economics, Vol. 3, pp. 1-44.

6. Coleman, Jules (1980) "Efficiency, Utility, and Wealth Maximization." Hofstra Law Review 8(3): 509-51.

7. Cooter, Robert (1985) "Unity in Torts, Contracts, and Property: The Model of Precaution,"California Law Review, Vol. 73,

8. Cooter, Robert and Daniel L. Rubinfeld (1989) "Economic Analysis of Legal Disputes and Their Resolution," Journal of Economic Literature, Vol. 27, pp. 1067-1097.

9. Demsetz, Harold (1967) "Toward a Theory of Property Rights," American Economic Review,Vol. 57, pp. 347-359.

10. Donohue, John J. III and Steven D. Levitt (2001) "Legalized Abortion and Crime," Quarterly Journal of Economics 116(2): 379-420.

11. Dworkin, Ronald (1980) "Why Efficiency: A Response to Professors Calabresi and Posner."Hofstra Law Review 8(3): 563-90.

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14. Gilbert, Richard and Oliver Williamson (1998) "Antitrust Policy," in The New Palgrave Dictionary of Economics and the Law, P. Newman, ed., Vol. 1, pp. 82-88.

15. Hardin, Garrett (1968) "The Tragedy of the Commons" Science 162: 1243-48. 84

16. Hirshleifer, Jack (1971) "The Private and Social Value of Information and the Reward to Inventive Activity," American Economic Review, Vol.61, pp. 561- 574.

17. Massey I T (1995) Administrative Law, Eastern Book Company

18. Posner, Richard A (1998) Economic Analysis of Law, (5th edition) Little Brown, Boston.

19. Robert D Cooter and Thomas Ulen (2012) Law and Economics, Addison Wesley-Pearson

20. Seervai H M, (1991) Constitutional Law of India, Vol. 1-3, Tripathi N.M, The University of Michigan

21. Steven Shavell (2004) "Foundations of Economic Analysis of Law, Harvard University Press: Cambridge MA

22. Thomas J Micely (2004) "Economic Approach to Law", Stanford University Press

23. Yoram Barzel (1997) "Economic Analysis of Property Rights", Cambridge University Press