UNIVERSITY OF RAJASTHAN,
JAIPUR

M.A./M.SC./M.COM
(Economics)

2013-2014 (PREVIOUS)-I/II SEMESTER
2014-2015 (FINAL)- III/IV SEMESTER

Prepared by

Cheeked by

7/9/2013

11/14
2. Eligibility:
A candidate who has secured more than 50% or CGPA of 3.0 in the UGC Seven Point scale [45% or CGPA 2.5 in the UGC Seven Point Scale for SC/ST/Non-creamy layer OBC] or equivalent in the Bachelor degree in Arts, Science or Commerce shall be eligible for admission to First Semester of a Master of Economics course.

3. Scheme of Examination:
   (1) Each theory paper EoSE shall carry 100 marks The EoSE will be of 3 hours duration.
   (2) Part ‘A’ of theory paper shall contain 10 Short Answer Questions of 20 marks, based on knowledge, understanding and applications of the topics/texts covered in the syllabus. Each question will carry five marks for correct answer.
   (3) Part “B” of paper will consist of four questions carrying have marks each. The limit of answer will be 150 words.
   (4) Part “C” shall contain three questions (one from each module) with internal choice carrying 20 marks each.

4. Course Structure:
The details of the courses with code, title and the credits assign are as given below.
Abbreviations Used
Course Category
CCC: Compulsory Core Course
ECC: Elective Core Course
OEC: Open Elective Course
SC: Supportive Course
SSC: Self Study Core Course
SEM: Seminar
PRJ: Project Work
RP: Research Publication
Contact Hours
L: Lecture
T: Tutorial
P: Practical or Other
S: Self Study
Relative Weights
IA: Internal Assessment (Attendance/Classroom Participation/Quiz/Home Assignment etc.)
ST: Sessional Test
EoSE: End of Semester Examination
### First Semester

<table>
<thead>
<tr>
<th>S. No.</th>
<th>Subject Code</th>
<th>Course Title</th>
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<th>Credit</th>
<th>Contact Hours Per week</th>
<th>EoSE Duration (Hrs.)</th>
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<tbody>
<tr>
<td></td>
<td>ECO 101</td>
<td>Microeconomic Theory – I</td>
<td>CCC</td>
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<td>ECO 102</td>
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<td>ECO 103</td>
<td>Mathematical Methods for Economics</td>
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<td>Public Economics- I</td>
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<td>ECO 302</td>
<td>International Trade Theory</td>
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<td>3.</td>
<td>ECO 303</td>
<td>Economics of Development and Growth -I</td>
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<td>3.</td>
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<td>Economics of Development and Growth - II</td>
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<td>4.</td>
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### Elective Core Course

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<tr>
<th>Elective Course code</th>
<th>Specialization</th>
<th>Paper Title</th>
<th>Prerequisite</th>
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<tr>
<td>ECO A01</td>
<td></td>
<td>Agricultural Economics</td>
<td></td>
<td>I</td>
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<tr>
<td>ECO A02</td>
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<td>Indian Banking System</td>
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<tr>
<td>ECO A03</td>
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<td>Industrial Economics-I</td>
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<td>ECO A04</td>
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<td>ECO B01</td>
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<td>Demography</td>
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<td>II</td>
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</table>
ECO 101: Microeconomic – I

Module 1:

Theory of Consumer behaviour – cardinal and ordinal utility approaches, Price, Income and Substitution Effects, Normal, Inferior and Giffen goods, Derivation of demand curves, Determinants of Demand, Different elasticities of Demand, Complementary and Substitute goods, Consumer Surplus, Revealed preference hypothesis, Consumer behaviour under uncertainty and risk.

Module 2:


Module 3:

Cost concept, cost curves – short and long run cost curves, Modern theory of cost curves, Economies of scale.

Price and output determination under Perfect competition, Monopoly and Monopolistic competition; concept of excess capacity, selling cost and group equilibrium under monopolistic competition.
Books recommended:


ECO 102: Macroeconomic - I

Module 1:


Module 2:

Consumption function: Determinants, Consumption function hypotheses – Absolute, Relative, and Permanent Income hypotheses, Life cycle hypothesis.

Investment function: Neo-classical theory of investment, Stock market and Tobin’s Q ratio, Neo-Keynesian theory of investment; theories of accelerator.

Module 3:

Classical, Keynesian, and Post Keynesian theories of demand for money (inventory theory of Baumol and portfolio balance theory of Tobin), Restatement of quantity theory of money by Milton Friedman, and Patinkin.

Supply of Money – measurement, components, and determinants, High-powered money and Money multiplier, Theories of money supply.

Books recommended:

1. Errol D;Souza, Macroeconomics, Pearson Education.
ECO 103: Mathematical Methods for Economics

Module 1:

Concept of a function; Limits, continuity and differentiability of a real valued function; concave and convex functions. Derivatives - Simple differentiation; maxima, minima and point of inflexion and applications of Simple differentiation in economics, Partial differentiation and unconstrained and constrained Optimisation (two indendent variable case), simple applications in economics.

Module 2:

Integration; indefinite and definite and its application, First order Difference and Differential equations and their application in economics.

Module 3:

Matrices and determinants and their applications in economics, Basic Input-Output model (determination of gross output), Linear Programming (graphical and simplex methods), Game Theory – two person constant and zero sum game (only saddle point solution).

Books recommended:


ECO 201: Microeconomic – II

Module 1:

Oligopoly – non-collusive models of Cournot, Bertrand, Edgeworth, Chamberlin, Paul M. Sweezy (kinked demand curve) and Stakelberg. Collusive oligopoly- Cartels and Price Leadership, merger and acquisition, Price and output determination bilateral monopoly, Baumol's sales revenue maximization model; Williamson's model of managerial discretion; Marris model of managerial enterprise; Full cost pricing rule; Bain's limit pricing theory and its recent developments including Sylos-Labini’s model; Behavioural model of the firm; Game theoretic models.

Module 2:

Theory of Distribution: Neo-classical approach — Marginal productivity theory; Product exhaustion theorem; Elasticity of technical substitution, technical progress and factor shares.
Factor pricing in competitive and imperfect competitive markets; determination of rent, wages, interest and profit; Macro theories of distribution — Ricardian, Marxian, Kalecki and Kaldor's.

Module 3:


Books recommended:


ECO 202: Macroeconomic -II

Module 1:

Determination of output and employment: The Classical model; One Sector Neo-classical and Keynesian models; Concept of multiplier; Static and Dynamic Multiplier.

IS-LM model- The interaction of Real and Monetary sectors of the economy, Keynesian version of the IS-LM model, Neo-classical version of the IS-LM model, Fiscal policy and crowding out effect, role and relative effectiveness of fiscal and monetary policy; aggregate supply and aggregate demand model- Neo-classical three sector model (Pigou effect) and Keynesian three sector model (Keynes effect).

Module 2:

Open Economy Macroeconomics: Trade balance, Exchange rates and International Monetary System; Mundell-Fleming model- analysis of fiscal, monetary and trade policies under imperfect capital mobility and perfect capital mobility with fixed and flexible exchange rate systems; dual gap model.

Classical, Keynesian and Monetarist approaches to inflation, Phillips curve, expectation augmented Phillips curve, natural rate of unemployment hypothesis, Adaptive expectation hypothesis, policies to control inflation

Module 3:
Theories of business cycle - Multiplier – Accelerator interaction Models of Samuelson and Hicks, Kaldor and Goodwin’s models, Real business cycle theory, Political business cycle model of Nordhaus. Commercial banks and multiple credit creation, Role of Central bank and credit control.

Books recommended:

2. Errol D;Souza, Macroeconomics, Pearson Education, 2008
7. Rana & Verma, Macroeconomics, Vishal Publishing House, (Hindi and English medium)
8. H L Ahuja, Macroeconomics, S Chand & Sons. New Delhi (Hindi and English medium)

ECO 203: Statistical Methods

Module 1:

Measures of central tendency, dispersion, skewness, and kurtosis, Measurement of inequality - Lorenz Curve and Gini co-efficient.

Correlation, simple regression, and inter pretation of multiple linear regression equation.

Module 2:

Analysis of time series and curve fitting, index numbers.

Probability, mathematical expectation and probability distributions (Binomial, Poisson, and Normal)

Module 3:

Sampling and survey methods, testing of hypothesis, applications of Z, t, F & \( x^2 \) tests, Association of attributes, Analysis of Variance.

Books recommended:


ECO 301: Public Economics - 1
Module 1:


Module 2:


Module 3:

Direct and Indirect taxes - Effects of direct tax on production (viz.labour supply and saving rate) and distribution, Effects of indirect tax on production, Progressiveness of a tax system and its measurement, Shifting and Incidence of taxes under Monopoly and perfect Competition.

Books recommended:

4. H.L.Bhatia: Public Finance (Hindi and English)
5. B P Tyagi: Public Finance (Hindi and English)

ECO 302: International Trade Theory

Module 1:


Standard Theory of Trade- Production Possibility Frontier, Community Indifference Curves, Offer Curves, Trade Indifference Curves, Terms of Trade and Gains from Trade.

Module 2:

Module 3:


Free Trade versus Protection, Instruments of Protection and their effects; Tariffs (Partial and General Equilibrium), Quota, and other non-Tariff Barriers.

Books recommended:

2. R. J. Caribough: International Economics
4. Rana and Verma: International Economics, Vishal Publishing House Ludhiana (Hindi and English)

ECO 303: Economics of Development and Growth –I

Module 1:

Understanding Development: Dividing the world and levels of development (Development as an evolving concept i.e. Development, Growth and Change; Goulet’s three core values of development; Sen’s Conception of Development; Income/Output based measures and their inadequacies; PQLI and HDI as indicators of Development). Ingredients of development: Land, labour, Physical and Human capital, Technological change, Scale and Organization, Sustainable Development (conceptualization, concern, indicators and remedial measures), Concept, measures and problems of growth, poverty and Inequalities in LDCs and their impact on development.

Module 2:

Theories of Economic Development: Agriculture-Industry interface - interdependence between agriculture and industry; industrialization and urbanization (The models of Lewis, Fei and Ranis and Todaro); The Balanced Growth Doctrine (Review of Rosenstein, Nurkse and Lewis); Strategy of Unbalanced Growth (Hirschman’s version), and the reconciliation of the two.

Module 3:
Project evaluation criteria: Internal rate of return, net present value and cost-benefit analysis, social discount rate, shadow prices of capital, unskilled labour and foreign exchange, Choice of techniques, Capital-output ratio, Applications of Input-Output Analysis in Planning, Financing of economic development - domestic and external resources, Two-gap model, International trade and development, Types and approaches of planning, Plan models of India, past performance and current issues of Indian planning.

Books Recommended:


ECO 304: Indian Economic Development and Policy – I

Module 1:

Natural resource in India- land, water forest and minerals, Population - Size, composition, quality and growth trends, Characteristics of Indian population through recent census, Population policy and economic effects of population pressure, Poverty, unemployment and human development during plan period - Appraisal of Government measures, India’s human development record in global perspective.

Module 2:

Agricultural Development in India: Institutional aspects – Land Reforms, green revolution, Technological Aspects – agricultural inputs and shifts in production function, Agricultural cost and price policy, Agricultural marketing and credit, Food policy and security, Subsidy and public distribution system, Capital formation in Indian Agriculture, problems in agriculture- a need for second green revolution.

Module 3:

Industry - Strategy of Industrial Development and Industrial policy reforms, Small scale and cottage industries, Reservation policy relating to small scale industries, Sources of Industrial finance – Banks, share market, insurance companies, pension funds, non-banking sources and FDI, Role of foreign capital for direct investment and portfolio investment, Public sector reforms, privatization and disinvestment.

Books Recommended:
1. Arvind Panagariya: India - The Emerging Giant
2. Rudradutt and Sundram: Indian Economy (Latest Ed.) (Hindiaiand English)
4. Laxmi Narayan Nathuramka: Bhartiya Arthashastra(Latest Ed.)
6. Uma Kapila: Indian Economy

ECO 401: Public Economics - II

Module 1:

Public Debt – Sources, effects, burden and its management, Theory of public debt, Loans and saving as sources of finance for development.


Module 2:

Indian Tax System -Salient features, Major taxes, Main trends in the Revenue of the Central and State Governments in India, Non-tax revenue,

Union budget of India, Major trends in public expenditure in India (growth and composition), Problem of budget deficit and FRBM Act.

Pricing policy in public enterprises, Disinvestment and Privatisation of public enterprises in India, Internal and External public Debt of India.

Module 3:

Fiscal Federalism -Theory and problems, Problems of centre-state financial relations in India, Criteria for resource transfer from the centre to states, Finance Commissions and Devolution of resources to states, Fiscal policy, and recent Tax Reforms in India including Direct Tax Code and GST.

State finances of Rajasthan – trend and composition of revenue and expenditure.

Books recommended:

4. H.L.Bhatia: Public Finance (Hindi and English)
6. B P Tyagi: Public Finance (Hindi and English)
7. Rudra Dutta & K P M Sundaram: Indian Economy (Hindi and English)

ECO 402: Trade Policy and International Monetary System
Module 1:


International capital movement and factors affecting it, Various forms of foreign capital and its role in economic development.

Module 2:

Economic Integration - Stages and Forms, Theory of Customs Union - Static and Dynamic Effects, Regional Trade Blocks - Bilateral and Multi-Lateral International Negotiations, Preferential Trade Areas (PTAs) and Free Trade Areas (FTAs).


Module 3:


Books recommended:

2. R. J. Carborough; International Economics
4. Rana and Verma: International Economics, Vishal Publishing House Ludhiana (Hindi and English)
5. Soderston and Reed: International Economics

ECO 403: Economics of Development and Growth –II

Module 1:

Economic Growth and Structural Change: Structural changes in the composition of gross domestic product, occupational structure, Structure of capital accumulation; and accumulation of human capital; exploring the relationship between economic development and income distribution (Kuznets’ inverted U-shaped curve and augmented Kuznets’ curve,
Denison & Chenery empirical studies), Living in a heterogeneous world, world-Islands of prosperity and how the other three quarters live.

Module 2:

Theories of growth: Classical approach: Adam Smith, Marx and Schumpeter – Neo-classical approach: Robinson, Solow, Kaldor and Harrod-Domar model, Cambridge criticism of Neo-classical analysis of growth, the capital controversy.

Technological progress- embodied and disembodied technical progress, Hicks, Harrod learning by doing, production function approach to the economic growth, growth models of Kaldor and Pasinetti, optimal savings and Ramsay’s rule of accumulation. Romar model of technological change.

Module 3:

Endogenous growth; Intellectual capital, AK model, Uzawa-Lucas Model – explanation of cross country differentials in economic growth.


Books recommended:


ECO 404: Indian Economic Development and Policy- II

Module 1:

Foreign trade: Salient features, trends, composition, direction and organization, Trade reforms, liberalization and recent changes in trade policy, MNCs and their impact on Indian economy, WTO – issues and its impact on Indian economy, India’s balance of payment position in recent years.
Module 2:

Economic planning: Goals, achievements and shortcomings of planned development, Planning and the market.

Decentralized planning: Constitutional obligations and Panchayati Raj institutions. Balwantrai Mehta Committee and Ashok Mehta Committee, Financial aspects of 73rd and 74th constitutional amendments.

Problem of subsidy

National and per capita income – Growth pattern and trends, Aggregate and sectoral composition and change therein, regional distribution, Income inequalities in India.

Module 3:

New economic policy – LPG and second phase of economic reforms

Infrastructure development in India – physical infrastructure (power, transport, communication and irrigation) and social infrastructure (health and education), SEZs

Books Recommended:

1. Arvind Panagariya: India - The Emerging Giant
2. Rudradutt and Sundharam: Indian Economy (Latest Ed.) (Hindiadn English)
4. Laxmi Narayan Nathuramka: Bhartiya Arthashastra (Latest Ed.)
5. Mishra & puri: Indian Economy (Latest Ed.) (Hindiadn English)
6. Uma Kapila: Indian Economy

ECO A01: Agricultural Economics

Module 1:

Importance of agriculture and interdependence between agriculture and industry, Institutional and technological changes, Production functions in agriculture, resource use efficiency factors of production.

Farm size and productivity relationship in Indian agriculture farm budgeting concept of cost supply of individual crops and aggregate supply price relationship.

Module 2:

Characteristics of factors markets inter-linkages between land, labour and capital markets

Role of capital and agricultural credit- organized and unorganized capital market, uncertainty and crop insurance agricultural produce markets and marketing efficiency.

Behavior of agricultural prices demand and supply of agricultural products and cobweb cycles prices and income stability.
Module 3:

Agricultural price policy in India, agricultural growth in India inter – regional variation in growth of output and productivity.

Agricultural growth in Rajasthan cropping pattern changes in India institutional changes. Land reform credit structure and marketing.

Supply of inputs – irrigation power seed fertilizer pricing of inputs problem of mobilization of resources from agriculture.

Books Recommended:

2. T.W. Shultz: Transforming Traditional Agriculture.
4. Krishna Bhardwaj: Production and conditions in Indian Agriculture.
6. D.S. Tyagi and G.S. Bhalla: Agricultural Development in India

ECO A02: Indian Banking System

Module 1:

Indian Banking system as on the eve of bank nationalization, Structure and development of commercial banks in India since 1969. branch expansion programme and policy, deposit mobilization and sectoral allocation of Bank credit. Concept of social and mass banking. Pointy sector advances and advance to the neglecteel sections of the society.

Financial Sector Reforms – Context, need and objectives. Implementations of the Narasimbam Committee recommendations. Issues in financial reforms.

Module 2:

Rural Banking - Overall structure and review of the contribution of major credit cooperatives, commercial banks and Regional Rural banks including that of NABARD.


Module 3:


Books Recommended:
1. S.B. Gupta: Monetary Planning for India (Latest Ed.)
3. L.M. Bhole: Impacts of Monetary Policy.
4. Harendra Badhav (ed.) Challenges to Indian Banking Competition, Globalisation and Financial Markets McMillan
5. N.S. Yher: Non-Performing Advances in Banks, Skylark, New Delhi.
7. Raghuram Rajan Committee Report on Financial Sector reforms, Planning Commission
8. I.B.A. Bulletin: Annual Special Issues
9. RBI Report on trend and Progress of Banking in India (Latest Ed.)
11. Y.V. Reddy, Monetary and Financial Sector Reforms in India, UBSPD, New Delhi.

ECO A03: Industrial Economics-I

Module 1:

Industrialization and development. Interdependence of industrial sectors: backward and forward linkages. Location of Industries, Theories and measures of Industrial localization (Sargent F. & A. Weber). Localization of Industries in India. Industrial project selection criteria.

Module 2:


Monopoly power and oligopolistic market structure. Measures of sellers’ concentration. Determinant of sellers’ concentration: economies of scale, barriers to entry, mergers, size and growth of markets.

Module 3:

Market conduct under oligopoly: Rivalry and collusive conduct. Dominant firm behavior and potential competition. Limit price and contestable markets. Non-price competition with reference to advertising.


Books Recommended:


ECO A04: Mathematical Economics-I

Module-I

Theory of Consumer Behaviour: Nature of a Utility Function; properties of an Indifference curve; Maximization of utility; Demand functions- Ordinary and compensated, price and income elasticity; elasticity relations in demand analysis. Restrictions on demand functions; Slutsky Equation - n- commodity case, elasticity form and important results; Income and Leisure - Derivation of labour supply function and its properties, Linear Expenditure System- properties and derivation of linear demand functions.

Homogeneous and Homothetic utility functions; Indirect Utility Functions and Duality in Consumption, properties of indirect utility function, Roy's Identity, duality theorems, derivation of direct and inverse demand functions; Consumer behaviour under conditions of risk and uncertainty.

Module-II

Theory of firm- Production function: Properties of a well behaved and homogeneous production function - Cobb-Douglas and CES Production Functions; product curves; output elasticity of factor input; properties of an isoquant, Elasticity of substitution of a homogeneous production function- linearly homogeneous, Cobb-Douglas and CES Production Functions, special cases of CES Production Functions; Expansion path; Optimization behaviour of a firm- Constrained cost minimization, constrained output maximization and profit maximization; Input Demand- properties and derivation of producer's input demand functions; Cost functions- properties and derivation of short run and long run cost functions, determination of optimum plant size.

Module-III

Perfect Competition: Market demand; producer demand; supply functions- short run and long run, external economies and diseconomies; commodity-market equilibrium- short run and
long run equilibrium, differential cost conditions and rent; Effects of taxes on optimum output level, supply function and price level.

Imperfect Competition: Monopoly- Profit Maximization and sales revenue, price discrimination (market discrimination and perfect discrimination), Multi-Plant Monopolist, effect of various taxes on output and price of a monopoly firm, bilateral monopoly, Monopolistic competition equilibrium- short run and long run.

Note: Use of non-prorammable calculator is permitted.

Books Recommended:

2. RGD Allen, Mathematical Economics.

ECO B01 Demography

Module 1:

Population study and demography: Its relation with other disciplines, theories of population malthus, optimum theory of population and theory of demographic transition, historical evidence of population growth in developed and developing countries, Population as limits to growth and as ultimate source.

Sources of Demographic data in India: Census civil registration system and demographic survey National Family Health survey objectives and Findings.

Module 2:

Techniques of Analysis crude birth and death rates, age specific birth and death rates infant mortality maternal mortality standardized birth and death rates – study of Fertility: Total fertility rate, gross reproductive rate, and net reproduction rate age pyramids life table: meaning of its columns and its uses – reproductive and child health in India temporal and spatial variation in serrations.

Books Recommended

Population Projection – concept of station statute and quasi – stationary population aging of population in India – change in family structure and old age security.

Module 3:
Population policy salient features of population censures. Evolution of population policy in India. Family welfare and women empowerment: Demographic status and household behavior – Education women’s autonomy and fertility population health, population health, poverty and environment link age in India the new population policy.

Economically active population: Basic concept and definition impact of demography process on the composition and size of the labour, occupation and Industrial composition of workforce concept of human development man power planning.

Books recommended:

1. G.W.Barclay: Techniques of population Analysis.
5. Jeevan Chandra Pant: Jananki (Hindi).
8. National Family Health Surveys

ECO B02: Indian Financial System

Module 1:


Money Market - Designation, nature and role of money market in the economy. Indian money market – call money market, treasury bills market, commercial bill market, markets for commercial paper and certificate of deposits. The discount market. Discount and finance house of India and securities trading corporation of India.

Module 2:


Module 3:

Markets for futures, options and other financial derivatives.

Books recommended:

1. S.B. Gupta: Monetary Planning for India (Latest Ed.)
3. L.M. Bhole: Impacts of Monetary Policy.
4. Harendra Badhav (ed.) Challenges to Indian Banking Competition, Globalisation and Financial Markets McMillan
5. N.S. Yher: Non-Performing Advances in Banks, Skylark, New Delhi.
7. Raghuram Rajan Committee Report on Financial Sector reforms, Planning Commission
8. I.B.A. Bulletin: Annual Special Issues
9. RBI Report on trend and Progress of Banking in India (Latest Ed.)
11. Y.V. Reddy, Monetary and Financial Sector Reforms in India, UBSPD, New Delhi.

ECO B03: Industrial Economics-II

Module 1:


Module 2:

Pattern of industrial growth and changes in industrial structure in India since 1951. Factors affecting industrial location. Regional imbalances in industrial development in India and government policy for balanced regional development of industry.

Market structure and R&D. Allocative efficiency and capacity utilization in Indian industry. Productivity growth, FDI and acquisition of technology in India.

Module 3:

MRTP and nature of concentration in Indian industry. Liberalisation and privatization in Indian industry.

Mergers and takeovers. Competition policy and consumer protection in India. Industrial development in Rajasthan.

Books Recommended:


**ECO B04: Mathematical Economics-II**

**Module-I**

Microeconomic Models: The existence and uniqueness of equilibrium - The Stability of equilibrium, Static stability - the Marshallian & Walrasian Stability Conditions, dynamic stability - lagged adjustment - the Cobweb model: Different models of objectives of the firm - Baumol, Morris and Williamson; Duopoly and Oligopoly market models - the quasi-competitive solution, the Collusion, solution, the Cournot solution, Stakelberg solution, the market share solution and the kinked-demand-curve solution models.

**Module-II**

Macroeconomic Models: Keynesian theory of income determination, concept and working of Static and Dynamic Multiplier, Employment and output determination with fixed and flexible prices (IS-LM, Aggregate demand and aggregate supply analysis), Flerning-Mundell open economy model.

Trade cycles: Multiplier-Accelerator interaction trade Cycle models of Samuelson and Hicks.

Growth Models: Harrod and Domar; Neoclassical models – Solow, Meade, Kaldor’s Model with technological progress; endogenous growth models.

**Module-III**

Linear Programming: Simplex method; problem of Degeneracy and mixed constraints, Duality theorems, complementary slackness conditions, application of linear programming in economics.


Note: Use of non-prorammable calculator is permitted.

Books Recommended:


ECO C01: Economics of Infrastructure -I

Module 1:

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; Economies of scale of joint supply; Marginal cost pricing vs. other methods of pricing in public utilities; Cross subsidization – free prices, equity and efficiency.

Module 2:

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; Principle of pricing; Special problems of individuals modes of transport; Inter-model condition in the Indian situation.

Module 3:
Infrastructure development and reforms in India – power, transport, and communication, 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 utilities.

Books Recommended:

3. Economics of Infrastructure (1976), Vol.VI, ICSSR, ICSSR.
5. CUTS : Competition and Regulation in India, 2007 and 2009.

ECO C02: International Finance

Module -1:

International Finance – Functions, Sources and Uses, International Capital Flows - Foreign Direct Investment, Foreign Portfolio Investment, Effects of investment on host countries and financial instability, India’s policy towards foreign capital.

International Financial System and global economy,


Module 2:

Foreign Exchange Rate- meaning, exchange risk, hedging and speculation. Determination of equilibrium exchange rate and exchange rate systems.


Module-3:

The Theory of Optimum currency areas –Growth of regional financial institutions.

Reforms in International monetary system for developing countries, Asian Development Bank and its’ lending activities, Borrowing from World Bank , Asian Development Bank and Aid India Club nations and its overall impact on Indian economy.
Open Economy of India - Trends in India's Balance of Payments and growth of foreign exchange reserves since the year 1990, Convertibility of Indian Rupee and its' impact on Indian economy, Exchange rate management in India.

Role of the Regional Blocks - EU, NAFTA, ASEAN, SAFTA etc. in the International Business, WTO and its impact on different sectors of the Indian economy.

Books recommended:

3. Harold James: International Monetary Cooperation since Biretton Wood, IMF.

ECO C03: Health Economics

Module 1.

Introduction to Health Economics: Basic concepts in Economics with special reference to health - Utility, Demand and supply analysis, Elasticities, Expenditure Function, Imperfections in Market Structure, Production possibility Frontier (PPF), Externalities and Market Failure: Approaches to Economics-Positive and Normative, Welfare economics and health.


Costing and Health Economics: The importance of costing in Health Economics, Alternative definitions of cost, Cost theory and cost analysis, types of cost - monetary and non-monetary, measurement and valuation issues in cost, production cost and discounting, Constraints in measuring health cost.

Module 2:


Economic Evaluation – Part II: Importance of Measures of General health status and quality of life, Measuring Health Outcomes, Assigning monetary values to health outcomes, human life and Quality Adjusted Years of Life, Cost-Utility Analysis (CUA) – including Quality Adjusted Life Years (QALYs) and Health Year Equivalents (HYEs), Economics of Prevention and Public Health – Economic evaluate on of prevention programs (include ADL and IADL for aged)
Module 3:
Efficiency and Equity in Health: An overview of the normative economics of the health sector, Health Care and Welfare State, Private versus public health care, Public and Private Partnership in Health Care, Efficiency and effectiveness in health care, Equity in Health care Delivery
Health inequalities: health inequality and its measurement, determinants of health, health seeking and access to health care service, Health care utilization.

Books Recommended:
4. Health economics: 3rd Edition by Phelps
5. The economics of health and health care, 2nd edition by Folland, Goodman and Stono (FGS)

ECO C04: Econometrics- I

Module 1:
Basic Econometrics: Nature, meaning and scope of econometrics; Simple and general linear regression model – assumptions, Estimation (through OLS approach) and properties of estimators; Derivation of least square parameters; Goodness of fit and Econometric inference.

Module 2:
Problem in the estimation of single equation model; heteroseadasticity; Multicollinearity and auto-correlation; specification problems.

Module 3:
Regressions with Qualitative Independent Variables: Dummy variable technique – Testing structural stability of regression models, seasonal analysis, piece wise linear regression,
regression with dummy dependent variables; The LPM, Logit, Probit and Tobit models – applications, Economic forecasting – Methods of forecasting – Limitations.

Note; Use of non-programmable calculator is permitted.

**Books Recommended:**

1. J.Kmenta: Elements of Econometrics.
5. R.S. Pindyck and D.Z. Rubinfeld: Econometric Methods and Econometric Forecasts.

**ECO D01: Economics of Infrastructure -II**

**Module 1:**

Primacy of energy in the process of economic development; Factors determining demand for energy; Effects of energy shortages; Energy conservation, renewable and nonconventional sources of energy; Energy modeling; The search for an optimal energy policy in the Indian context.

Bulk supply and pricing of electricity – The relative economics of thermal, hydel and nuclear power plants – The case for a National Power Grid.

**Module 2:**

Financing water utilities - Urban and rural water supply.

The exploitation of National Gas; Pricing problem.

Organisation and financing of supply of social services; Private vs public sector financing; Recent debate about the fixation of prices of social services; Development of social services in the successive Indian plans.

**Module 3:**

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; Human resources and human capital development – The issues in education policy.


**Books Recommended:**
3. Economics of Infrastructure (1976), Vol.VI, ICSSR, ICSSR.
5. CUTS: Competition and Regulation in India, 2007 and 2009.

ECO D02: History of Economic Thought

Module 1:

Mercantilism Physique rates, Quesnay’s table economic concept of surplus growth, theory taxation and role of government.

Classical school Adam Smith the invisible hand doctrine wealth of nation laissez faire profits and wages modern revival of Adam Smith critiques of Adam Smith.

Malthus’s theory of population and theory of under competition Ricardo – principal of political economy and taxation distribution theory – different route differences with say on determination of value morden revival and interpretation (Sraffa).

Module 2:

Critics of the classical school – Sismondi socialist and the nationalist school position senior and the four postulates, J.S. Mill – four prepositions and capital demand and supply bifurcation wage fund.

Rehabilitation by coarseness stationery state version non – competing groups evaluation of socialist thought – utopian socialism saint – Simon own blane, Fourier proudhob scientific socialist.

Module 3:

Karl – Marx – efforts at scientific socialism organic composition of capital break down of capitalism, reserve army of labour critiques of Marx revival of Marx in economics.

The German Historical School and development of marginalize the neo-classical school Marshall.

Twentieth century economic thought main features (Only the rise of key nesiaanism the rise of mathematical economics dynamics of econometrics) critical evaluation of the development of economic thought Indian economic thought kautilya and Gandhi.

Books Recommended:

4. V.C. Sinha: Arthik Vicharon Ka Itihas

**ECO D03: Indian Health Care System**

**Module 1:**
Changing scenario of Health inequalities in India, Medical Tourism in India,
International Comparison,
Health Care System: Stakeholders in health care systems: Consumer, providers, and state,
Human capital and health, health care and labor market, Demand for health care and for medical services – The consumer perspective, Moral Hazard and the economics of Moral Hazard, Demand and Supply of Human and physical infrastructure—physician, hospital and drugs etc, Costs as a barrier to health care utilization.

**Module 2:**
Policies, Reforms and Regulatory Concerns in Health Sector: Health care delivery systems and Role of Government in providing health care, Role of international organizations, improving access to health care with quality, Overview of health sector reforms and Policies, Regulatory concerns and regulation of health sector including pharmaceutical industry, National Health Policies and Programmes.

**Module 3:**
Health Financing and Health Insurance: National Health Accounting: Sources and Uses of Funds, health budgeting, Interrelationship between epidemiological transition and health expenditure, Health care financing system, source of health care spending, The Health Insurance – intermediary agent, The private health insurance, Regulation of health insurance, Government as health insurer in India, Equity in health care finances, Future investment strategies in health sector, Willingness to pay for health care, User charges as determinant of health financing

**Recommended:**

4. Health economist: 3rd Edition by Phelps
5. The economics of health and health care, 2nd edition by Folland, Goodman and Stono (FGS)

ECO D04: Econometrics - II

Module 1:

Module 2:
Simultaneous Equation Models: Introduction and examples; The simultaneous equation bias and inconsistency of OLS estimators; The identification problem; Rules of identification – order and rank conditions; Methods of estimating simultaneous equation system; Recursive methods and OLS; Indirect least squares (ILS); 2SLS, 3SLS and ML methods – applications, Time series analysis – unit root and co-integration, casualty test.

Module 3:

Application of econometric models on selected topics: Wagner’s law of public expenditure, Various methods of estimation of elasticities in taxation and public expenditure, Demand for money and Inflation–output trade off, Linear consumption expenditure system and cost function.

Note: Use of non-prorammable calculator is permitted.

Books Recommended:

1. J.Kmenta: Elements of Econometrics.
5. R.S. Pindyck and D.Z. Rubinfeld: Econometric Methods and Econometric Forecasts.