



Department of Economics

Bachelor of Arts Degree (B. A.) in Economics

Choice Based Credit System (CBCS)

Syllabus for Economics (UG)

with effect from 2016-17 and onwards

**Tumkur University,
B. H. Road, Tumkur-572 103**

TUMKUR UNIVERSITY

B.H. Road, Tumkur-572103

Department of Economics**Choice Based Credit System (CBCS) Syllabus for Economics (UG)****With effect from 2016-17 and onwards for Bachelor of Arts Degree in Economics****I Semester to VI Semester**

Semester	Paper No	Title	No. of Teaching hours/ week	Duration of semester end examination	Maximum Marks for semester end examination	Minimum passing marks for semester end examination (35%)	Internal Assessment Marks
I	BAE -1.1	Principles of Microeconomics	5	3	90	32	10
II	BAE-2.1	Principles of Macroeconomics	5	3	90	32	10
III	BAE- 3.1	Development Economics	5	3	90	32	10
IV	BAE - 4.1	International Economics	5	3	90	32	10
V	BAE - 5.1	Indian Economy (Compulsory)	5	3	90	32	10
	Elective Papers (One of the following)						
	BAE- 5.2 (a)	Public Economics	5	3	90	32	10
	BAE- 5.2 (b)	Managerial Economics	5	3	90	32	10
VI	BAE - 6.1	Monetary Economics (Compulsory)	5	3	90	32	10
	Elective Papers (One of the following)						
	BAE- 6.2 (a)	History of Economic Thought	5	3	90	32	10
	BAE 6.2 (b)	Agriculture and Rural Economics	5	3	90	32	10
	OEP 4.7	Fundamentals of Economics	5	3	90	32	10

I –SEMESTER**BAE -1.1: PRINCIPLES OF MICROECONOMICS****Objectives****(75 Hours)**

As a foundation course, in this paper students are expected to understand the behaviour of an economic agent namely: a consumer, a producer, a factor owner and the price fluctuation in a market. To help students acquire knowledge of some of the important principle and theories of microeconomics.

Module -1: Introduction**(12 Hours)**

Meaning, Definitions, Types, Scope, Importance and Limitations of Microeconomics; Role of assumptions in Economics; Robins Scarcity Definition, Choice as an economic problem- Scarcity and efficiency; Production possibility curve.

Module -2: Theory of Consumer's Behaviour**(17 Hours)**

Cardinal Approach –The law of diminishing marginal utility, Law of equi-marginal utility, Consumer's Surplus, Limitations of Marshallian approach. Ordinal Approach – Indifference Curves, properties, Consumer's equilibrium, Criticisms of the indifference curve approach; Samuelson Revealed Preference Theory.

Module -3: Demand and Supply**(16 Hours)**

Demand- Demand Curve, Reasons for the downward slope, Exceptions, Factors influencing demand, Shifts in demand; Elasticity of Demand- types, Degrees of price elasticity with diagrams; Factors determining price elasticity, methods of measurement. Supply - Meaning, Law, Schedule, Supply Curve, Factors influencing supply.

Module -4: Theory of Production and Costs**(16 Hours)**

Production function: Law of Variable proportions; Laws of returns, Economies of scale; Producers Equilibrium with the help of iso-quants and iso-cost lines. Cost function - Important cost concepts. Short run and long run cost analysis; Revenue –Marginal, Average, Total revenue curves.

Module -5: Basics of Mathematical Economics**(14 Hours)**

Meaning, Nature and Scope of Mathematical Economics, Role of Mathematical Economics in Economic theory. Introduction to Elementary Algebra – The Number system, Properties of exponents – Arithmetic, Geometric Progressions and their economic applications-Concept of Equation.

References

- Ahuja H. L (2010), *Principles of Microeconomics*, S Chand, New Delhi
- Lipsey, R.G. and K.A. Chrystal (1999), *Principles of Economics* (IX Ed.), Oxford University Press, Oxford
- Mankiw, N. Gregory (2012). *Principles of Microeconomics*, 4th Edition, Cengage Learning India, New Delhi
- Mansfield, E (1997), *Microeconomics* (9th Ed) W.W. Norton and Company, New York.
- Pindyek and Rubinfeld (2009)- *Micro Economics*, Pearson Education, New Delhi
- Ray, N.C. (1975), *An introduction to Microeconomics*, Macmillan company of India Ltd.
- Samuelson, P.A. and W.D. Nordaus (1998), *Economics*, Tata McGraw Hill, New Delhi.
- Stonier, A.W. and D.C. Hague (1972), *A Textbook of Economic Theory*, ELBS and Logman Group, London.
- Varian, H.R. (2000), *Intermediate Microeconomics: A Modern Approach* (5th Ed), East West Press, New Delhi.
- Monga.G.S (1972), *Mathematical and Statistics for Economists*, Vikas Publishing House, New Delhi.

II –SEMESTER

BAE - 2.1: PRINCIPLES OF MACROECONOMICS

Objectives (75 Hours)

On account of the growing influence and involvement of the State in economic fields, macroeconomics has become a major area of economic analysis in terms of theoretical, empirical as well as policy-making issues. The paper is designed to make an undergraduate student aware of the basic theoretical framework underlying the field of macroeconomics; to help the student to understand the integrated working of modern economy.

Module-1: Macroeconomics and National Income (14 Hours)

Macroeconomics-Meaning, Macro-economic Policy and its Objectives and Instruments. National Income Accounting-Concepts, components and Measurement of National income, Difficulties in its measurement. Calculation of National Income-Empirical problems, circular flow of income.

Module -2: Classical and Keynesian Theory of Employment (17 Hours)

Classical theory- Full employment, Adam Smith's Invisible hand, Say's law of Market, Wage price Flexibility, critical evaluation. Keynesian theory - Concept of Effective demand and its determinants, Equilibrium level of income and Employment. Consumption function-psychological law of consumption, APC, MPC, Factors affecting the consumption Function, The Saving Function and Investment function.

Module - 3: Demand for and Supply of Money (14 Hours)

Classical and Keynesian views on Demand and Supply of Money; High powered money, Neutrality of Money, Plastic Money, Bank Money and money multiplier; RBI approach to Money Supply in India.

Module - 4: Inflation and Business Cycle (14 Hours)

Inflation –meaning, types, causes, effects, remedies, inflationary gap, inflation and unemployment - Philips curve and unemployment - Deflation: meaning, causes, effects, remedies, deflationary gap. Business cycles: meaning, types, features, phases.

Module - 5: Vital Macroeconomic Statistics (16 Hours)

Statistical System in India- Indian Statistical Machinery – Organization at Central and State level, National Sample Survey (NSSO & CSO) – Design and Technique. Agricultural Statistics in India – Nature of Crop estimates, estimation of Area and yield, Industrial Statistics, Annual Survey of Industries; Statistics of Prices, Wage, Trade and Transport.

References

- Ackley, G. (1978), *Macroeconomics: Theory and Policy*, Macmillan Publishing Company, New York.
- Ahuja, H.L. (2010), *Macroeconomics: Theory and Practice*, S Chand & Co, New Delhi.
- Branson W.A (1989), *Macro Economic Theory and Policy*, Harper and Row, New York.
- Gupta, R.D and A.S. Rana (2006), *Keynes and Post Keynesian Economics*, Kalyani Publishers, Ludhiana.
- Heijdra, B.J. and F.V. Ploeg (2001), *Foundations of Modern Macroeconomics*, Oxford University Press, Oxford.
- Keynes, J.M. (1963), *The General Theory of Employment, Interest and Money*, Macmillan, London.
- Mankiw, N. Gregory (2012), *Principles of Macroeconomics*, 6th Edition, Cengage Learning India.
- Shapiro, E. (1996), *Macroeconomic Analysis*, Galgotia Publications, New Delhi.

III –SEMESTER**BAE - 3.1: DEVELOPMENT ECONOMICS****Objectives****75 Hours**

The paper is intended to give an understanding of the theoretical perceptions of economic growth and development together with the forces bringing about them. It also helps to broaden the awareness of the challenges in the developmental process and thus motivate the students towards the thought process of alternative solutions.

Module -1: Economic Growth and Development**(16 Hours)**

Economic growth and development: Meaning, definitions, distinction, factors determining-economic and non-economic, Obstacles of development-vicious circles of poverty; Measures of development in relation to GNP, PQLI, HDI;; sustainable development. World Development Report – Estimation of HDI, PCI, GDI GEI indices.

Module -2: Theories of Growth**(15 Hours)**

Classical growth models -Adam Smith; David Ricardo; Gunnar Myrdal's Theory of Backwardness and Spread Effect; Big Push theory; Critical Minimum Effort Thesis, Rostow's Stages of Economic Growth.

Module - 3: Approaches of Economic Development**(16 Hours)**

Classical Theory, Schumpeter- Balanced and Unbalanced Growth; Circular causation, Low income equilibrium trap. Critical Minimum Hypothesis, Theories of Dualism - Lewis Model.

Module -4: Human Resource and Economic Development**(14 Hours)**

Concept of intellectual capital and Human resource development; Population problem and growth pattern of population; Theory of demographic transition; Man power planning- meaning, strategy of man power planning; rural-urban migration and international migration.

Module-5: Sectoral View of Development**(14 Hours)**

Problems of Agriculture in LDCs – Importance of Industry in Economic Development - Patterns of Industrialization in Developing Countries- Infrastructure and Economic Development – Trade and Economic Development, Budgetary Allocation in Developing Countries. Inter sectoral dependence: Complementary between agriculture and industry.

References

- Ghatak, S. (1986), *An Introduction to Development Economics*, Allen and Unwin, London.
- Higgins, Benjamin (1968), *Economic Development*, W. W. Norton & Company. Inc. New York.
- Jhingan M. L., (2005), *The Economics of Development and Planning*, Vrinda Publications, Delhi.
- Kindleberger, C.P. (1977), *Economic Development*, 3e, McGraw Hill, New York.
- Lekhi, R. K (2010), *The Economics of Development and Planning*, Kalyani Publishers, Delhi.
- Meier, G.M. (1995), *Leading Issues in Economic Development*, Oxford University Press, Delhi.
- Ray, D. (1998), *Development Economics*, Princeton University Press, Princeton NJ.
- Taneja M.L. and R. M. Myer (1995), *Economics of Development and Planning*, Shoban Lal Nagin Chand and Co, Delhi.
- Thirlwall A.P (2003), *Growth and Development - With Special reference to Developing Economies*, Palgrave Macmillan, New York
- Todaro, M.P. and S.C. Smith (2006), *Economic Development*, Pearson, London.

IV –SEMESTER**BAE - 4.1: INTERNATIONAL ECONOMICS****Objectives****75 Hours**

The objectives of the course are - to enable the students to learn the fundamental theories of international economics; enable the students to understand the international trade system and their implications for the national economy in modern days.

Module - 1: Introduction and Theories of International Trade**(16 Hours)**

Meaning and Importance of International Economics; Distinction between Internal and International Trade; Theories of Absolute cost advantage and Comparative Cost; Heckscher-Ohlin model of trade; Leontief Paradox.

Module - 2: Trade and Commercial Policy**(17 Hours)**

Terms of Trade: Various concepts of terms of trade; Factors Affecting and Deterioration in Terms of trade; Gains from Trade; Free Trade v/s Protectionist Policy-Relative Merits and Demerits; Tariffs and Quotas – meaning, types, effects. Concept of optimum tariff; Offer curves.

Module - 3: Balance of Payment**(14 Hours)**

Concepts and components of balance of trade and balance of payments-Consequences of disequilibrium and various measures to correct deficit in the balance of payments; Devaluation-Merits and Demerits.

Module - 4: India's Foreign Trade**(14 Hours)**

Recent changes in the composition and direction of foreign trade; Causes and effects of persistent deficit in the balance of payments; Foreign Capital- Role and sources of foreign capital, FDI; Multinational Corporations (MNC's)-Role of multinational corporations in India.

Module - 5: Economic Integration and International Monetary Institutions**(14 Hours)**

Meaning of Economic integration; European Union -objectives and working, Euro currency; SAARC. Origin, objectives, functions and achievements of WTO, International Monetary Fund (IMF), World Bank (IBRD), Asian Development Bank (ADB), BRICS.

References

- Charles Van Marrewijk (2007), *International Economics: Theory, Application and Policy*, OUP.
- Elsevier Science B.V., (1997), *Handbook of International Economics*, Vol. 3, Amsterdam.
- Ethier W., (1997), *Modern International Economics*, 3rd edition. W.W. Norton & Co.
- Kenan, P.B. (1994), *The International Economy*, Cambridge University Press, London.
- Kindlberger, C.P. (1973), *International Economics*, R.D. Irwin, Homewood.
- Krugman P., Obstfeld M. (2003), *International Economics: Theory and Policy*, Addison Wesley.
- Mannur H.G (2003), *International Economics*, Vikas Publishing House Pvt. Ltd, New Delhi
- Mithani D.M (2003), *International Economics*, Himalaya Publishing House, Mumbai
- Salvatore, Dominick (2005), *International Economics*, John Wiley & Sons, Inc
- Sodersten, Bo (1991), *International Economics*, Macmillan Press Ltd., London.

V - SEMESTER**BAE - 5.1: INDIAN ECONOMY**

(Compulsory Paper)

Objectives**75 Hours**

The purpose of this paper is to enable students to have an understanding of the various issues of the Indian economy so that they are able to comprehend and critically appraise current Indian economic problems. It also exposes the students to the quantitative data on various economic aspects and policies in India.

Module - 1: Structure of the Indian Economy**(14 Hours)**

India: developing economy - features; India and the global economy; emerging issues of development; National Income of India – estimates, trends, growth, structure and limitations. NITI Ayoga- structure and functions.

Module -2: Demographic Profile, Poverty and Unemployment**(17 Hours)**

Broad demographic features- growth rate, density, age, sex, size, composition; recent population policy; Census 2011, Changes in occupational structure. Unemployment-types, extent, measures to reduce unemployment; poverty: poverty line - extent – causes. Recent Poverty alleviation programmes 2000 onwards; Rural, Urban migration-extent; Regional inequalities: causes – remedies; Infrastructure development.

Module - 3: Agriculture in India**(16Hours)**

Growth trends of primary, secondary and tertiary sectors, comparison with other countries, problems and prospects; Trends in agricultural production, causes of low productivity, Agricultural finance, Agricultural marketing, Institutional and technological transformation in Indian agriculture.

Module - 4: Industry in India**(14 Hours)**

Industrial policy resolution – 1991, FEMA; Growth and problems of MSME; Problems of public sector enterprises-disinvestment, FDI, IT and ITES- Call Centre, BPO. Recent Government policies; Skill India, Start up, Make in India.

Module - 5: Macroeconomic Policies and Parallel Economy**(14 Hours)**

Recent economic reforms; changing role of RBI-recent changes in monetary and fiscal policy; internal and external debt and fiscal reforms, black money - estimates, genesis, consequences and remedies and comparison with other countries; Poverty eradication and other popular schemes like MGNREGA; A critical Evaluation.

References

- Agarwal, K.N. (2009), *Indian Economy: Problems of Development of Planning*, New Age of International Publishers.
- Dhingra, I. C. (2013), *The Indian Economy: Environment and Policy*, Sultan Chand & Sons, New Delhi.
- Dutt, Ruddar and Sundaram K.P.M (2013), *Indian Economy*, S. Chand and Co., New Delhi.
- Ghosh, Alak (2011), *Indian Economy*, World Press, Calcutta.
- Kapila, Uma (2013), *Indian Economy since Independence*, Academic Foundations, New Delhi.
- Misra S.K and V.K Puri (2013), *Indian Economy: Its Development Experience*, Himalaya Publishing House, Mumbai.
- Prakash. B.A., (2009), *The Indian Economy Since 1991-Economic Reforms and Performance*, Edited Volume, Dorling Kindersley (India) Pvt. Ltd., Licensees of Person Education in South Asia.

V – SEMESTER**BAE - 5.2(a): PUBLIC ECONOMICS**

(Elective Paper)

Objectives**75 Hours**

The main object of this paper is to enable a student to have an overview of the working of the public economics, to enable a student to understand the changing trends in the public finance and to enable a student to understand the role of Government under liberalized environment.

Module - 1: Introduction to Public Economics**(14 Hours)**

Nature, Scope and Importance of Public Economics; Role of government- Public Finance v/s Private Finance; Failures of market economy - public goods, private goods; externalities; Role of Public Finance in Developing and Developed economies; Principles of Maximum Social Advantage.

Module - 2: Public Revenue**(16Hours)**

Meaning, sources of public revenue (Centre, State and Local); Taxation: meaning, classification of taxes -direct and indirect taxes; merits and demerits; canons of taxation - progressive - proportional– regressive. Impact, shifting and incidence of taxation; Taxable capacity: meaning - factors determining taxable capacity - Optimal taxation - effects of taxation - recent tax reforms in India.

Module - 3: Public Expenditure**(16 Hours)**

Meaning - need for public expenditure - Principle of public Expenditure; classification of public expenditure; Wagner's Law of increasing State Activities; Peacock and Wiseman hypotheses - Reasons for the growth of public expenditure in India– Effects of public expenditure on production, Distribution, Stabilization and Growth.

Module - 4: Public Debt**(14 Hours)**

Public Debt -Meaning; need for public debt; classification of public debt; sources of Public Debt- Internal and External Debt; effects of growth of public debt on economic development; Debt Trap; burden of public debt; debt burden and future generation; methods of redemption of public debt.

Module - 5: Financial Administration**(15 Hours)**

Budget: meaning and functional classification of budget; Preparation and passing process of budget in India; Government budget and its structure- Receipts and expenditure - various concepts of deficits; Highlights of the current year's Budget.

References

- Agarwal, R.C (2004), *Public Finance- Theory and Practice*, Educational Publishers Agra.
- Bhatia H.L (2004), *Public Finance*, Vikas Publishing House Pvt., Ltd., New Delhi.
- Herber, B. P. (2004), *Modern Public Finance*, AITBC Publishers, New Delhi.
- Lekhi, R. K. (2000), *Public Finance*, Kalyani Publishers, New Delhi.
- Mankar V. G. and L. S. Sarma (2001), *Public Finance- Theory and Practice*, Himalaya Publishing House, New Delhi.
- Mithani, D.M. (1998), *Modern Public Finance*, Himalaya Publishing Houses, Mumbai.
- Musgrave, R. A. (1959), *The Theory of Public Finance-A Study in Public Economy*, McGraw Hill Book Co., New York.
- Singh S.K., (2011), *Public Economics*, Himalaya Publishers, New Delhi.
- Sundaram, K. P. M. and K. K. Andley (2003), *Public Finance-Theory and Practice*, S. Chand and Co. Ltd., New Delhi.
- Tyagi, B. P. (2009), *Public Finance*, Jay Prakash Nath Publications, Meerut.

V – SEMESTER
BAE - 5.2(b): MANAGERIAL ECONOMICS
 (Elective Paper)

Objectives**75 Hours**

Businesses face important decisions every day and it is the job of managers at all levels to choose among the options available to make the goals of the organization. The course will sharpen their analytical skills through integrating their knowledge of the economic theory with decision-making techniques.

Module - 1: Introduction**(14Hours)**

Meaning, definition, Nature and scope of Managerial Economics; Fundamental Principles of Managerial Economics: Opportunity Costs, Incremental Principle, Time perspective, Discounting and Equi-Marginal principle.

Module - 2: The Business Organizations**(14 Hours)**

Types of Business Organizations - objectives of the firm, Plant, Firm, Industry, Proprietary Firms, Partnership Firms, Joint Stock Companies, Public Sector Undertakings, Cooperative Societies, Non-profit Organizations, Business Organizations in New Millennium.

Module - 3: Demand Analysis**(16 Hours)**

Demand Analysis - Determinants of Market Demand - Law of Demand - Elasticity of Demand – Measurement of Demand and its uses; price and income elasticity of demand; Advertising and promotional elasticity of demand, Product life cycle. Demand Forecasting - Techniques of Demand Forecasting. (Numerical Problems)

Module - 4: Production, Cost and Pricing Decisions**(16 Hours)**

Production-Production Function. Cost -cost output relations in the short run and long run, Technology and industry. Objectives and Policies of Pricing- Methods of Pricing: Cost Plus Pricing, Going Rate Pricing, Limit Pricing, Market Skimming and Penetration Pricing, Block Pricing, Bundling Pricing, Peak Load Pricing; Price Controls - Support Prices and Administered Prices.

Module - 5: Profit Management**(15 Hours)**

Classification – Measurement of Profit, Break Even Analysis – Meaning, Assumptions, Determination of Break-Even Point (simple problems), Limitations – Uses of BEA in Managerial decisions.

References

- Ahuja, H.L. (2009). *Managerial Economics – Analysis of Managerial Decision Making*, 3/e, S Chand and Company Ltd., New Delhi.
- Atmanand. (2008). *Managerial Economics*, Excel Books, New Delhi.
- Chopra, P. N. (2007). *Managerial Economics*, Kalyani Publishers, New Delhi.
- Dwivedi, D. N. (2008). *Managerial Economics*, 7/e, Vikas Publishing House, New Delhi.
- Geetika, Piyali Ghosh and Purba Roy Choudhary. (2008). *Managerial Economics*, Tata McGraw-Hill Publishing Company Ltd., New Delhi.
- Mehta, P. L. (2001). *Managerial Economics - Analysis, Problems & Cases*, Sultan Chand and Sons, New Delhi.
- Mithani, D. N. (2006). *Managerial Economics-Theory & Applications*, 3/e, Himalaya Publication, New Delhi.
- Varshney, R. L. and K. L. Maheswari. (2007). *Managerial Economics*, 19/e, Sultan Chand & Sons, New Delhi.

VI-SEMESTER**BAE - 6.1: MONETARY ECONOMICS**

(Compulsory Paper)

Objectives**75 Hours**

This course introduces students to the conceptual and practical operations of the Money, banking, financial markets and institutions. The course is intended to provide an in-depth understanding of the operational issues of capital and money market network along with its regulatory framework.

Module - 1: Money**(12 Hours)**

Money - meaning, evolution, functions and classification; Gresham's law; role of money in capitalist, socialist and mixed economies; plastic money and changes in the medium of exchange function of money.

Module - 2: Monetary Standards**(14 Hours)**

Monetary standards- features, merits and demerits; Metallic and Paper System of Note Issue - principles and methods of note issue. The supply of money: the velocity of circulation; Demand for money; Value of money: Fisher's equation; Cambridge version.

Module - 3: Commercial Banking**(16 Hours)**

Commercial banking: Nature; structure; functions: The process of credit creation-purpose and limitations, Pre-requisites of a sound commercial banking system; Liabilities and assets of Banks. ATM - Internet Banking - Core banking; A Critical Appraisal of the Progress of Commercial Banking after Nationalization; Recent Reforms in Banking Sector in India.

Module - 4: Central Banking**(16 Hours)**

Role of central banks in developed and developing countries; Functions of a central bank; Role and functions of the Reserve Bank of India; methods of credit control: Quantitative- bank rate policy, open market operations, variable reserve ratio and selective methods; Objectives and limitations of monetary policy; Recent monetary policy of RBI.

Module - 5: Money Market and Capital Market**(17 Hours)**

Financial markets: Money market-characteristics and constituents; Capital market: characteristics and constituents; unregulated credit markets, credit instruments, Financial Sector Reforms in India; SEBI and Working of Capital Markets in India. Stock indexes - BSE; NSE; Bull and Bear Theory; stock market performance; Importance of Financial System in India.

References

- Bholey L.M. (1999), *Financial Institutions and Markets*, Tata McGraw Hill Co Ltd, New Delhi
- Chandler L.V., and S.M. Goldfeld (1977), *The Economics of Money and Banking*, Harper & Row, New York.
- Gupta, S.B. (1995), *Monetary Economics: Institutions, Theory and Policy*, S. Chand & Co., New Delhi.
- Khan Y.M. (1996), *Indian Financial System*, Tata McGraw Hill Co Ltd, New Delhi
- Machiraju, M.R. (1999), *Indian Financial System*, Vikas Publishing House, New Delhi
- Mitra, S. (1970), *Money and Banking*, Random House, New York.
- Prasad. K.N. (2001), *Development of India's Financial System*, Swarup and Sons, New Delhi
- Reserve Bank of India, *Report on Currency and Finance* (Annual), Mumbai.
- Smith P.F (1978), *Money and Financial Intermediaries: The theory and Structure of Financial System*, Practice Hall, Engle Wood – Cliff- New Jersey.

VI-SEMESTER**BAE - 6.2(a): HISTORY OF ECONOMIC THOUGHT**

(Elective Paper)

Objectives**75 Hours**

The evolution of economic ideas in each instance was as much a response to immediate economic problems and policy issues as much as it was a self-conscious attempt to refine earlier analysis by correcting mistakes and filling in the gaps in analysis. This paper, tracing the history of economic thought, would enable the student to understand how contemporary economics came to be what it is.

Module - 1: Early School of Thought**(16 Hours)**

Economic thought of Plato and Aristotle- Doctrines of Just cost and Just price. Mercantilism: main characteristics. Thomas Mun; Physiocracy. Natural order, primacy of agriculture, social classes, Tableau Economique, taxation, Turgot – Economic ideas of Petty, Locke and Hume.

Module - 2: Classical School of Thought**(16 Hours)**

Adam Smith: division of labour, theory of value, capital accumulation, canon of taxation, economic progress. David Ricardo: value, theory of rent, distribution, ideas on economic development and international trade. Karl Marx: dynamics of social change. Economic ideas of J.B. Say, J.S. Mill.

Module - 3: Marginalists**(14 Hours)**

The precursors of marginalism - Cournot, Thunen, Gossen; The marginalist revolution. Jevons, Walras and Menger; Fisher: the rate of interest; Wicksteed and Weiser: Distribution; Marshall as a great synthesizer.

Module - 4: Selected Nobel Laureates in Economics**(14 Hours)**

Nobel laureates: Gunnar Myrdal -Theory of under development and development, Simon Kuznets; James Meade, Arthur Lewis - a brief analysis of their contributions.

Module - 5: Indian Economic Thought**(15 Hours)**

Early economic ideas: Kautilya, Basava Philosophy. Modern economic ideas: Naoroji and Ranade. Economic ideas of Gandhi: Village, Swadeshi, place of machine and labour, cottage industries, trusteeship; Early approaches to planning (the national planning committee). Nehru; Dr. B.R. Ambedkar's Economic ideas, M S Swaminathan, Amartya Sen. (Emphasis has to be given on economic thought rather than on theories.)

References

- Bell John Fred (1963), *History of Economic Thought*, the Ronald Press Company, New York
- Bhatia, H.L (1980), *History of Economic Thought*, Vikas publishing house Pvt. Ltd. India.
- Blackhouse, R. (1985), *A History of Modern Economic Analysis*, Basil Blackwell, Oxford.
- Blaug, M. (1997), *Economic Theory in Retrospect: A History of Economic Thought from Adam Smith to J.M. Keynes*, (5th edition), Cambridge University Press, Cambridge.
- Brue Stanley L (2000), *The Evolution of Economic Thought*, the Dryden press, Fort Worth, USA
- Dasgupta, A.K. (1985), *Epochs of Economic Theory*, Oxford University Press, New Delhi.
- Ganguli, B.N. (1977), *Indian Economic Thought: A 19th Century Perspective*, Tata McGraw Hill, New Delhi.
- Grey, A. and A.E. Thomson (1980), *The Development of Economic Doctrine*, Longman Group, London.
- Roll, E. (1973), *A History of Economic Thought*, Faber, London.
- Schumpeter, J.A. (1954), *History of Economic Analysis*, Oxford University Press, New York.
- Seshadri, G.B. (1997), *Economic Doctrines*, B.R. Publishing Corporation, Delhi.

VI-SEMESTER**BAE - 6.2(b): AGRICULTURE AND RURAL ECONOMICS**

(Elective Paper)

Objectives**75 Hours**

To provide a detailed treatment of issues in agricultural economics and to familiarize students with policy issues that is relevant to agricultural economics and to enable the students to understand the concepts and the problems of rural development.

Module - 1: Overview of Agricultural Economics**(14 Hours)**

Agricultural Economics: Meaning, Importance, linkages with other sectors. Land use pattern, Production and productivity -Trend in Area, Regional Pattern. Major Crops- Horticultural/Plantation Crop, Vegetables and Fruits-Floriculture-Sericulture and Organic farming. Technological changes in agriculture.

Module - 2: Agricultural Finance and Marketing**(16 Hours)**

Major sources of Agricultural finance: Institutional and Non-institutional sources, Role of NABARD and RRBs. Agricultural Marketing: Structure, growth and trends; Problems and prospectus, Agriculture Prices and Price Policy.

Module - 3: Rural Economics**(16 Hours)**

Meaning, Nature; Approaches for Rural development, Basic Infrastructure – Health, Drinking water, Sanitation, Road Connectivity. Concept of rural development, rural resources, rural income, and rural development programmes, Concept of PURA. Regional Imbalance: Extent of Disparities, causes and consequences. Role of Panchayat Raj Institutions in the development of Rural Economy.

Module - 4: Cooperation**(14 Hours)**

Meaning, Definition and concepts of Cooperation; History of Cooperative movement-characteristics of Cooperative and Cooperative structure in India. Positioning of Cooperative in Market Economy-Benefits of Cooperation. Cooperative education; Cooperative farming, Credit and non-credit co-operative credit societies.

Module - 5: Rural Industrialisation**(15 Hours)**

Rural Industrialization: Need; Case for cottage and Small Scale Industries, concept of tiny and ancillary units; Problems of SSIs; SSIs and Sickness. Financial Institutions - SIDBI, DIC, CAPART, KSFC and KSIIDC, Government programmes for rural industrialisation and appropriate technology.

References

- Dubashi, P.R. (1985), *Rural Development in India*, New Delhi.
- Harris J (1982), *Rural Development Theories of Peasant Economy and Agrarian Change – Hutchinson*, London,
- I Satya Sundaram (1996), *Rural Development in India*.
- Sadhu and Singh (1985), *Fundamentals of Agricultural Economics*, Himalaya Publishing House, Mumbai
- Srivatsava O.S. (1987), *Theoretical Issues of Agricultural Economics*, Allied Publishers Pvt. Ltd. Delhi.
- Vasanth Desai (1988), *Rural Development*, Himalaya, Bombay.

QUESTION PAPER PATTERN FOR SEMESTER END EXAM

Time: 3 Hours

Max. Marks: 90

PART-A (Conceptual)

1. Answer **TEN** of the following in **3 to 4 sentences to each.** (10 x 2 = 20 Marks)

- a)
- b)
- c)
- d)
- e)
- f)
- g)
- h)
- i)
- j)
- k)
- l)

PART-B (Analytical)

Answer **FIVE** of the following in **10 to 15 sentences to each.** (5 x 5 = 25 Marks)

- 2.
- 3.
- 4.
- 5.
- 6.
- 7.
- 8.
- 9.

PART-C (Descriptive)

Answer **THREE** of the following in **10 to 15 sentences to each.** (3 x 15 = 45 Marks)

- 10.
- 11.
- 12.
- 13.
- 14.

Instructions:

- *To Teachers:* The scope of the topic is to be arranged in accordance with the number of hours specified against each topic.
- *To the Board of Examiners:* The Selection of questions for each part is to be based on the number of hours allotted to each topic. Due weightage to be given to all modules.

Criteria for Internal Assessment

10 Marks

- Internal tests - 05
- Assignments - 05

Internal Assessment: 10**Semester End Exam: 90****Max. Marks: 100**

BAE - 4.7: FUNDAMENTALS OF ECONOMICS
(Open Elective Paper offered for other Department Students)

Objectives**75 Hours**

To provide a basic concepts of Economics to the students who have not studied Economics and make them to understand the current issues of Economics and apply them in day today life.

Module - 1: Overview of Economics**(15 Hours)**

Meaning, Definition, subject matter of Economics; Role of assumption in Economics, Concept of Demand and supply –its equilibrium; Basic concepts of cost and production; Four factors of production and distribution; Concept of market: perfect and imperfect.

Module - 2: Financial Institutions**(15 Hours)**

Central bank: functions and credit control methods; Commercial banks: functions and modernisation of banks; Financial institutions: NBFIs, LIC, IDBI, NABARD and SIDBI. Foreign Financial institutions: World Bank and IMF.

Module - 3: Inflation**(16 Hours)**

Meaning and types of inflation-Demand pull and cost push inflation; its measurement; reasons and effects of inflation in India; Remedial measures. Concept of Phillips curve; Business cycles- meaning and phases.

Module - 4: Indian Public Finances**(15 Hours)**

Tax System: structure and reforms, Direct and indirect taxes- its merits and demerits, Present income tax slab; Expenditure; Budgetary concept, Focus on recent budget, Concept of VAT and GST; Fiscal federalism in India.

Module - 5: Recent Government Programmes**(14 Hours)**

Jana Dhana Yajana; MUDRA; Start up; Skill India; Make in India; MGNREGA; Financial inclusion. Brief overview of each programmes and addition of the programmes from time to time.

References

- M. L. Seth (2000) *Principles of Economics*, S. Chand & Co.
- Ahuja, H. L. (2010): *Advanced Economic Theory*, S. Chand & Co., New Delhi
- Dwivedi (2008), *Microeconomics: Theory and Applications* (Second Edition), Dorling Kindersley (India) Pvt. Ltd.
- Rana and Verma (1981), *Macroeconomic Analysis*, Vishal Publishing House, New Delhi
- Ruddar Dutta and Sundaram (2010) *Indian Economy*, S. Chand & Co. New Delhi
- Pratiyogita Darpana- Indian Economy, Latest version.