**Syllabus**

**Bachelor of Arts**

**(ECONOMICS)**

**Batch 2019 onward**

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**SCHOOL OF ARTS AND HUMANITIES**

IIMT UNIVERSITY, Meerut

(website: [www.iimtu.com](http://www.iimtu.com))

**PAPER-I: MICRO-ECONOMICS (107)**

**Objective**

* This course is designed to expose the students to the basic principles of microeconomic theory. The emphasis will be on thinking like an economist and the course will illustrate how microeconomic concepts can be applied to analyze real-life situations.

**Unit-I**

* **Scope and Method:** Nature of Economic Laws, Basic equilibrium, utility, elasticity, competition.
* **Mathematical Concepts:** Variables, functions, equations and identities slope, concave and second order optimum conditions. Theory of Consumer Behavior: Utility analysis-cardinal and ordinal approaches. Elements of revealed preference, consumer surplus indifference curve analysis: properties, consumer equilibrium, income, price and substitution effects.
* **Demand Analysis:** Demand function and law of demand, price, cross and income elasticity of demand.

**Unit-II**

* **Production:** Production function, combination of factors, laws of production: returns to scales, Law of variable proportions.
* Nature of Costs: Short-run and long-run cost curves. Optimum and representative firm.

**Unit-III**

* **Market and Price Determination:** Structure of Markets, equilibrium of firm and industry under perfect competition. Price and output under monopoly and price discrimination, Nature of monopolistic competition.

**Unit-IV**

* **Economic System:** Capitalism, socialism and mixed economy. Problem of resource allocation.
* **Theory of Distribution and Factor Pricing:** Concept and measurement, Net economic welfare, distribution of national income, marginal productivity theory of distribution theories of rent wages, interest and profit.

**References:**

1. Dr. Robert E. Hall and Dr. Marc Lieberman: Microeconomics- Principles and applications

2. Joseph E. Stiglitz and Carl E. Walsh: Principles of Microeconomics

3. Arthur O’ Sullivan and Steven M. Sheffrin: Micreconomics- Principles, Applications and Tools ( for Application Purposes)

4. Varian, Hal R.: Intermediate Microeconomics (Sixth edition)

5. Mankiw, Gregory N.: Principles of Economics (Sixth edition)

6. Pindyck, Robert S. &Rubinfeld, Daniel L.: Microeconomics Sixth Edition [PHI]

7. Browning, Edgar K. &Zupan,: Microeconomic Theory and Applications

**PAPER-II: NATURE AND PROBLEMS OF INDIAN ECONOMY (108)**

**Objectives**

* This course examines sector-specific polices and their impact in shaping trends in key economic indicators in India. It highlights major policy debates and evaluates the Indian empirical evidence.

**Unit-I**

* **Nature and Structure of Indian Economy:** Growth and composition Sectoral development of the Indian Economy and their interrelationship Utilization of resource-human and natural. Problems of population and population policy of India Need, Objectives and strategy of planning in India. Poverty, unemployment. its nature and extent, Employment policy.

**Unit-II**

* **Agriculture:** Trends production and productivity, reforms, tenurial system, distribution of land, ceilings consolidation of holdings. Agriculture labor and problem wages, employment and underemployment Capital agriculture financial and physical. Problems of irrigation and supply of inputs. Organizational issues. Market cooperative farming, community development project agricultural and rural development programmes Technology.
* **Change in Agriculture strategy:** Agricultural production strategy. Price policy in agriculture

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**Unit-III**

* **Industry and Service Sector:** Growth and Structure of industry. Industrial and licensing policies of major industries. large, small and cottage industries, Industrial finance, foreign capital and multinationals. Industrial labour - wages and wage regulation. social security, housing, industrial peace, Trade Union movement, Service Sector: Nature, Structure and Development

**Unit-IV**

* **Economy of Uttar Pradesh:** Nature. Structure and Development of U.P.'s Gwu Economy. U.P. Economy through plans. Demographic Scenario of U. P Infrastructure: energy, transport and water resources. Decentralization of planning in U.P. industrial development in UP.: Public Sector Units. Small Scale Industries. Informal Sector, Hurdles and Prospects.Agriculture, Employment,Poverty.Inter-Regional Disparities and Policy Issues.

**References:**

1. Rakesh Mohan (2008), Growth Record of the Indian Economy, 1950-2008: A story of Sustained Savings and Investment, EPW, May 10.

2. India's Labour Market during the 2000s- Surveying the Changes, EPW, Dec 22 2012

3. K. James, 2008, “Glorifying Malthus: Current Debate on Demographic Dividend in India”, Economic and Political Weekly, June.

4. MihirRakshit (2009), India amidst the Global Crisis, EPW March 28.

5. Bharat Ramaswami (2007), Public Distribution System in KaushikBasu (ed), The Oxford Companion to Economics in India pp.430-33 3. R. Radhakrishna (2005), Food and Nutrition Security of the Poor, EPW, 30 April.

**SYLLABUS**

**B.A.**

**II YEAR**

**PAPER-I: MACRO ECONOMICS & MONEY AND BANKING (207)**

**Objective**

* This introduces students to the basic concepts of Macroeconomics. Macroeconomics deals with the aggregate economy. This course discusses the preliminary concepts associated with the determination and measurement of aggregate macroeconomic variable like GDP, savings, investment, money, inflation, and the balance of payments.

**Unit 1: National Income Analysis**

* Concept and methods of measurement; Circular flow of product and income, Government and foreign sectors in national income accounts. Determination of National income under classical and Keynesian system. Monetary theories of trade cycle.

**Unit 2: Value of Money**

* Fisher and Cambridge approaches. Income-expenditure approach. Keynes' quantity theory. Prices: Inflation, Deflation. Monetary approach. Keynesian approach. Non LINEZOLID 600MG TABLETS monetary theories of inflation. Effects of deflation. A brief discussion of relationship between inflation and unemployment (Philips curve and modified Phillips curve), Okun's law and concept of stagflation.

**Unit 3: Banking**

* Types and function. Structure and management, assets and liabilities, creation of money. Commercial Banking: Principles and Practices. Central Banking: Instrument of monetary control and other functions of Central Banks Indian Monetary Market: Structure, concept and sources of change in money supply, Reserve Bank of India, regulatory and promotional functions.

**Unit 4: Foreign Exchange**

* Concept, demand and supply of foreign exchange external value of money-gold standard, exchange rate determination purchasing power parity, theory, International monetary institution-IMF and IBRD. Exchange Control, Objectives and Methods.

**References:**

1. D’Souza, E. (2008): “Macroeconomics”, Pearson Education: New Delhi.

2. Blanchard, O. (2006) : “Macroeconomics” (IVth Edition), Pearson Education : New Delhi.

3. N. Gregory Mankiw (2006)-Vth Edition, Macroeconomics, Worth Publishers

4. DornbuschRudiger, Fischer Stanley and Startz Richard (2004)-IXth Edition, Tata McGrawHill

5. Froyen (2013): Macroeconomics:- Theories and Policies Pearson New Delhi

6. Government of India (GOI) (Latest Year): “Economic Survey”, Ministry of Finance: New Delhi

**PAPER-II: PUBLIC FINANCE AND INTERNATIONAL TRADE (208)**

**Objectives**

* The purpose of this course is to inform the basics of topics including public goods, market failures and externalities. The paper is divided into two sections, one dealing with the theory of public economics and the other with the international trade theory and to examine the effects of international economic policies on domestic and world welfare. This course develops a systematic exposition of models that try to explain the composition, direction, and consequences of international trade, and the determinants and effects of trade policy.

**Unit 1**

* . **Public Revenue & public debt:** Public Debt: Classification, effects, burden, repayment and management Government Budget: Preparation and classification, Sources of Public Revenue, Taxation. Satisfaction of Public wants, the benefit approach, the ability to pay approach; incidence and effects of taxation.

**Unit 2**

* **Public Expenditure**: Effects of public expenditure on production and distribution Wagner's law, Wiseman-Peacock hypothesis, the Stability and Economic growth. Indian Public Finance: Sources of income - Central, State, Indian Tax System. Public expenditure in India. Indian Federal Finance Opportunity cost.

**Unit 3**

* **Fiscal Policy & Monetary policy**: Active or passive; monetary policy objectives and targets; rules versus discretion: time consistency; the government budget constraint; government debt,

**Unit 4**

* **Trade and Trade policies**: Introduction: What is international economics about? An overview of world trade. Stylized facts about international trade. Trade policy: instruments of trade policy; tariffs, quotas, export subsidies, voluntary export restraints. The economics of trade policy; political economy of trade policy; controversies in trade policy

**References:**

1. Salvatore-International Economics-8th Edition

2. JagdishBhagwati, T.N. Srinivasan: Lectures on International Trade, MIT Press

3. W.M.Corden Trade Policy and Welfare, Clarendon Oxford.

4. Handbook of Development, Trade & WTO: World Bank Publiction.

5. Paul Krugman and Maurice Obstfeld: International Economics, 10th Edition: Pearson

6. Rao, M. (2005). Changing contours of federal fiscal arrangements in India. In A. Bagchi (ed.): Readings in public finance. Oxford University Press.

7. Reddy, Y. (2015). Fourteenth finance commission: Continuity, change and way forward. Economic and Political Weekly, 50(21), 27-36.

8. Stiglitz, J. (2009). Economics of the public sector, 3rd ed. W. W. Norton.

**SYLLABUS**

**B.A.**

**III YEAR**

**PAPER I: Fundamentals of Economic Growth and Development (307)**

**Objectives**

* The course begins with a discussion of alternative conceptions of development and their justification. It then proceeds to aggregate models of growth and cross-national comparisons of the growth experience that can help evaluate these models. The axiomatic basis for inequality measurement is used to develop measures of inequality and connections between growth and inequality are explored. The course ends by linking political institutions to growth and inequality by discussing the role of the state in economic development and the informational and incentive problems that affect state governance.

**Unit 1**

* **Economic growth and Economic Development:** Meaning Diverse structure and common characteristics of developing nations obstacles to development, Economic and non-economic factors in economic development Growth models: Classical Marx. Schumpeter and Harbod-Domer.

**Unit II**

* **Dualistic Economic Theories:** Lewis model of labour surplus Economy Rosenstein Rodan's theory of big push, Leibenstein's critical minimum thesis, Nelson's low level equilibrium trap: balanced versus unbalanced growth. Rostow's stages of Economic growth.

**Unit II**

* **Towards an equitable world economy:** Trade and Economic development: Terms of trade. Concepts. Measurement. Movements and prospects. International finance and financial restructuring, south-south cooperation. W.T.O. and development countries

**Unit IV**

* **Development and planning:** Need, concept, types. Planning and the market, Formulation of plans. Objectives, strategy and achievements of five year plans. Planning in India. Problem of poverty, inequality and regional imbalance in India.

**References:**

1. Debraj Ray, Development Economics, 1st edition, Oxford University Press

2. Charles Jones, Introduction to Economic Growth, Norton, W. W. Nortan&Company, 2nd Edition 3. Meier, Leading Issues in Economic Development, Oxford University Press, 5th edition

4. Michael.P.Todaro, Economic Developments, The Pearson Series in Economics, 7th edition.

5. F Hayami, Development Economics, Oxford University Press, 2nd edition 6. A.P Thirwall, Growth and Development, Palgrave Macmillan, 7th edition

**PAPER II: ELEMETARY QUANTITATIVE METHODS IN ECONOMICS (308)**

**Objective**

* The objective of this sequence is to transmit the body of elementary mathematics that enables the study of economic theory at the undergraduate level, specifically the courses on microeconomic theory, macroeconomic theory, statistics and econometrics set out in this syllabus. In this course, particular economic models are not the ends, but the means for illustrating the method of applying mathematical techniques to economic theory in general.

**Unit I**

* **Elementary Mathematical Concepts:** Algebraic expression, equations and identities simultaneous equations: ratio, proportion and variation, meaning of first differential coefficient, rules of simple differentiation. Partial differentiation, rules of simple integration and definite integration, trigonometric ratios, equations of straight line, slope and intercept form of a straight line.

**Unit II**

* **Mathematical Concepts in Economics (to be taught with the help of simple Mathematics):** Marginal analysis-Concept of margin: marginal utility. Marginal cost, marginal product, marginal rate of substitution (MRS) etc. Demand function, Cost and Revenue functions: Concept of elasticity Relation between AR, MR and price elasticity of demand, Nature of curves: Concave and convex Maximization and minimization of a function: Consumer surplus and producer surplus: Concept of capital output ratio and incremental capital output ratio: Concept of equilibrium-partial and general

**Unit III**

* **Nature, Scope and importance of Statistics for economists**. Methods of data collection, Classification. Tabulation, Graphic and diagrammatic representation. Measures of central tendency, Arithmetic mean. Median. Mode, Geometric and Harmonic mean, Measures of dispersion, Range, Mean Deviation, Standard Deviation, co-variance, Coefficient of variation. Skewness and Kurtosis

**Unit IV**

* **Relationship between two variables and correlation coefficient**. Definition of index numbers and computation of simple indices. Time series, Concept ind components; Probability. Concept. Addition and Multiplication Theorems.

**References:**

1. Christopher Dougherty, Introductory Econometrics 3rd Edition Oxford University Press (2007)

2. Gujarati ,Damodar : Basic Econometrics , 3rd edition Mc.Graw Hill, New Delhi (1995)

3. Ramanathan, Ramu : Introductory Econometrics With Applications. Thomson South Western (2002) 4. Pindyck ,Robert S. and Daniel L. Rubinfeld. “Econometric Models and Economic Forecasts.”. McGrawHill, 3rd Edition, Singapore (1997).

5. Wonnacott, R.J. and Wannacott, T.H: Econometrics, John Wiley. France (latest edition)