

**No. M.A. Economics / 1
FACULTY OF ARTS**

**Syllabus for the
M.A. ECONOMICS
REVISED SYLLABUS
(FROM JUNE 2003)**



UNIVERSITY OF PUNE

UNIVERSITY OF PUNE
REVISED SYLLABUS
FOR
M. A. ECONOMICS
PART-I
(FROM JUNE 2003)

COMPULSORY PAPERS

- 1) EC-1 : MICROECONOMIC ANALYSIS
- 2) EC-2 : PUBLIC ECONOMICS
- 3) EC-3 : INDIAN ECONOMIC POLICY

OPTIONAL PAPERS :

(ANY ONE OF THE FOLLOWING)

- 1) EC-7 : INDUSTRIAL ECONOMICS
- 2) EC-8 : LABOUR ECONOMICS
- 3) EC-9 : QUANTITATIVE METHODS
- 4) EC-10 : ECONOMETRICS
- 5) EC-11 : DEMOGRAPHY

COPMPULSORY DEPARTMENTAL COURSE
FOR INTERNAL STUDENTS
COMMON FOR BOTH THE PARTS

- 1)EC-21 : RESEARCH PROJECT / DISSERTATION

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UNIVERSITY OF PUNE
M.A. ECONOMICS - PART-I
(FROM JUNE 2003)
COMPULSORY PAPER

EC-1 MICROECONOMIC ANALYSIS
(REVISED COURSE)

Introduction :

This course analyses the economic behaviour of individuals, firms and markets. It tends to equip the students with the necessary analytical tools to analyse the behavior of these micro units. Adequate emphasis is to be laid on both - traditional approach and modern non-profit maximising setting. The course includes main branches of microeconomics such as - demand analysis, production theory, price determination, welfare economics and economics of uncertainty.

Section-1

Chapter 1 : Introduction and Basic Concepts

- 1.1 Basic Economics Problem - Choice and Scarcity
- 1.2 Role of Price Mechanism in a modern economy.
- 1.3 Positive and Normative economics
- 1.4 Concept of equilibrium, static and dynamic equilibrium

(4 lectures)

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Chapter 2 : Demand and Supply Analysis

- 2.1 Concepts of cardinal and ordinal utility.
- 2.2 Indifference Curve Approach- Consumer's Equilibrium, Comparison with Marshallian Approach. Income and Substitution Effects, Slutsky theorem.
- 2.3 Revision of Demand Theory by Hicks.
- 2.4 Revealed Preference Theory.
- 2.5 Concept to Elasticities- Price, Income and Cross-elasticities, Measurements, empirical estimations.
- 2.6 Law of supply, Elasticity of Supply, Measurements of elasticity of Supply.
- 2.7 Elementary theory of market price function. Cobweb theorem

(16 lectures)

Chapter 3 : Theory of Production and Costs

- 3.1 Production Function
- 3.2 Law of Variable Proportions and Returns to Scale. Empirical Evidence. Cobb Douglas Production Function
- 3.3 Isoquants, Producer's Equilibrium, Elasticity of Substitution
- 3.4 Short Run and Long Run Cost Curves
- 3.5 Empirical evidence on cost functions.

(12 lectures)

Chapter 4 : Price and Output determination - I

- 4.1 Short Run and Long Run Price determination under Competitive conditions.
- 4.2 Origins of monopoly, measurement of monopoly power
- 4.3 Price determination under monopoly
- 4.4 Price discrimination
- 4.5 Regulation of monopolies

(8 lectures)

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Section-II

Chapter 5 : Price and Output determination- II

- 5.1 Concepts of monopolistic and Imperfect Competitions.
- 5.2 Price and non-price competition. Group Equilibrium. Product differentiation. Selling costs. Excess capacity.
- 5.3 Oligopoly- Kinky Oligopoly demand Curve model. Non collusive oligopoly. Cournot Bertrand Solution. Collusive oligopoly- Cartels, mergers, price leadership models. Elements of game theory.

(13 lectures)

Chapter 6 : Alternative theories of the Firm

- 6.1 Critical Evaluation of the traditional theory of the firm.
- 6.2 Alternative theories of the firm. Full cost pricing. Bunmol's Sales Revenue Maximization Model. Williamson's Managerial discretion model. Marris. Model of Managerial enterprise Behavioural Theories of the firm. Satisfying Behaviour Theory. Cyert and March's Theory.

(13 lectures)

Chapter 7 : Distribution

- 7.1 Marginal Productivity Theory. Product Exhaustion Problem. Euler's Theorem
- 7.2 Modern Theory of Rent
- 7.3 Wage determination and collective Bargaining.
- 7.4 Loanable Funds Theory of interest. Liquidity Preference Theory of Interest.
- 7.5 Innovation Theory of Profit. Profit forecasting

(8 lectures)

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Chapter 8 : Welfare Economics

- 8.1 Pigou's theory of Welfare Economics
- 8.2 Pareto's optimality conditions.
- 8.3 Social Welfare Function. Compensation Principle.
(6 lectures)

BASIC READING LIST

- Kreps, David M. (1990), A Course in Microeconomic Theory, Princeton University Press, Princeton.
- Koutsoyiannis, A. (1979), Modern Microeconomics, (2nd Edition). Macmillan press, London.
- Layard, P.R.G. and A.W. Walters (1978), Microeconomic Theory, McGraw Hill, New York.
- Sen, A. (1999), Microeconomics : Theory and Applications, Oxford University Press, New Delhi.
- Stigler, G. (1996), Theory of Price, (4th Edition), Prentice Hall of India, New Delhi.
- Varian, H. (2000), Microeconomic Analysis, W.W. Norton, New York.

ADDITIONAL READING LIST

Chapter 1 :

- Baumol, W.J. (1982), Economic Theory and Operations Analysis, Prentice Hall of India, New Delhi.
- Hirshleifer, J. and A. Glazer (1997), Price Theory and Applications, Prentice Hall of India, New Delhi.

Chapter 2 :

- Baumol, W.J. (1982), Economic Theory and Operations Analysis, Prentice Hall of India, New Delhi.

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- Green, H.A.G. (1971), Consumer Theory, Penguin, Harmondsworth.
- Henderson, J. M. and R.E. Quandt (1980), Microeconomic Theory : A Mathematical Approach, McGraw Hill, New Delhi.
- Hirshleifer, J. and A. Glazer (1997), Price Theory and Applications, Prentice Hall of India, New Delhi.

Chapter 3 :

- Da Costa, GoCo (1980), Production, Prices and Distribution, Tata McGraw Hill, New Delhi.
- Healthfields and Wibe (1987), An Introduction to Cost and Production's Functions, Macmillan, London
- Hirshleifer, J. and A. Glazer (1997), Price Theory and Applications, Prentice Hall of India, New Delhi.

Chapter 4 and 5 :

- Archibald, G. C. (Ed.) (1971), Theory of the Firm, Penguin, Harmondsworth.
- Da Costa, GoCo. (1980), Production, Prices and Distribution, Tata McGraw Hill, New Delhi.
- Hirshleifer, J. and A. Glazer (1997), Price Theory and Applications, Prentice Hall of India, New Delhi.

Chapter 6 :

- Archibald, G. C. (Ed.) (1971), Theory of the Firm, Penguin, Harmondsworth.
- Bain, J. (1958), Barriers to New Competition, Harvard University Press, Harvard.

Chapter 7 :

- Bronfenbrenner, M. (1979), Income Distribution Theory, Macmillan, London.

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- Hirshleifer, J. and A. Glazer (1997), Price Theory and Applications, Prentice Hall of India, New Delhi.

Chapter 8 :

- Broadway, R.W. and Bruce (1984), Welfare Economics, Basil Blackwell, London.
- Graff, J. De V. (1957), Theoretical Welfare Economics, Cambridge University Press, Cambridge.
- Henderson, J. M. and R. E. Quandt (1980), Microeconomic Theory : A Mathematical Approach McGraw Hill, New Delhi.
- Mishan, E. J. (1969), Welfare Economics : An Assessment, North Holland, Amsterdam.

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**M. A. ECONOMICS PART - I
COMPULSORY PAPER
(FROM JUNE 2003)**

**EC: 2 PUBLIC ECONOMICS
(REVISED COURSE)**

PREAMBLE

Role and functions of the Government in an economy have been changing with the passage of time. The term 'Public Finance' has traditionally been applied to the package of those policies and operations which involve the use of tax and expenditure measures while budgetary policy is an important part to understand the basic problems of use of resources, distribution of income, etc. There are vast array of fiscal institution - tax systems, expenditure programmes, budgetary procedures, stabilization instruments, debt issues, levels of government, etc, which raise a spectrum of issues arising from the operation of these institutions. Further, the existence of externalities, concern for adjustment in the distribution of income and wealth etc. require political processes for their solution in a manner, which combines individual freedom and justice. This paper combines a thorough understanding of fiscal institutions with a careful analysis of the issues, which underline budgetary policies in general and Indian experience in particular.

Section - I

Chapter 1 : Introduction

Role of Government in organized society; Changing perspective- government in a mixed economy : public and private sector, cooperation or competition; Government as an agent for economic planning and development; Government as a tool for open

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rationalizing the planning process; private goods, public goods, and merit goods.

Chapter 2 : Rationale for Public Policy

Allocation of resources - provision of public goods; Voluntary exchange models; Impossibility of decentralized provision of public goods (contributions of Samuelson and Musgrave); Demand-revealing schemes for public goods - Contributions of Clarke, Groves and Ledyard. Tiebout model, theory of Club goods; Stabilization Policy.

Chapter 3 : Public Expenditure

Wagner's law of increasing state activities; Wiesman - Peacock hypothesis; Pure theory of public expenditure; Structure and growth of public expenditure; criteria for public investment; Social cost-benefit analysis - Project evaluation, Estimation of costs, discount rate; Reforms in expenditure budgeting; Programme budgeting and zero base budgeting.

Section - II

Chapter 4 : Taxation

Theory of incidence ; Alternative concepts of incidence - Allocative and equity aspects of individual taxes; Benefit and ability to pay approaches; Theory of optimal taxation; Excess burden of taxes; Trade off between equity and efficiency.

Chapter 5 : Public Debt

Burden of public debt; Sources of public debt, Public borrowings and price level; Crowding out of private investment and activity; principles of debt management and repayment.

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Chapter 6 : Fiscal Policy

Objectives of fiscal policy - full employment, anti-inflation, economic growth, redistribution of income and wealth; Interdependence of fiscal and monetary policies; budgetary deficits and its implication; Fiscal policy for stabilization - automatic vs. discretionary stabilization; Alternative measure of resource mobilization and their impact on growth, distribution and prices; Balanced budget multiplier.

Chapter 7 : Fiscal Federalism

Fiscal federalism in India: Vertical and horizontal imbalance; Assignment of function and sources of revenue; Constitutional provisions; Finance Commission and Planning Commission; Devolution of resources and grants; Theory of grants; Resource transfer from Union to States - Criteria for transfer of resources; Centre-State financial relations in India; Problems of states' resources and indebtedness; Transfer of resources from Union and States to local bodies.

Chapter 8 : Indian Public Finances

Indian tax system; Revenue of the Union, States and local bodies; Major taxes in India : base of taxes, direct and indirect taxes, taxation of agriculture, expenditure tax, reforms in direct and indirect taxes, taxes on services; Non-tax revenue of Centre, State and local bodies; Analysis of Central and State government budgets; Trends in public expenditure and public debt; Fiscal crisis and fiscal sector reforms in India; Reports of Finance Commissions in India.

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BASIC READING LIST

- Atkinson. A. B. and J. E. Siglitz (1980), Lectures on Public Economics, Tata McGraw Hill, New York.
- Auerbach A. J. and M. Feldstern (Eds.) (1985), Handbook of Public Economics, Vol.1, North Holland, Amsterdam.
- Buchanan. J. M. (1970), The Public Finances, Richard D. Irwin, Homewood.
- Goode, R. (1986), Government Finance in Developing Countries, Tata McGraw Hill, New Delhi.
- Houghton, J. M. (1970), The Public Finance : Selected Readings, Penguin, Harmondsworth.
- Jha, H. (1998), Modern Public Economics, Routledge, London.
- Menutt, P. (1996), The Economics of Public Choice, Edward Elgar, U. K.
- Musgrave, R. A. (1959), The Theory of Public Finance, McGraw Hill, Kogakusha, Tokyo.
- Musgrave, R. A. and P. S. Musgrave (1976), Public Finance in Theory and Practice, McGraw Hill, Kogakusha, Tokyo.
- Shoup, C. S. (1970), Public Finance, Aldine, Chicago.
- Shome, P. (Ed.) (1995), Tax Policy : Handbook, Tax Division, Fiscal Affairs Department, International Monetary Fund, Washington D.C.

ADDITIONAL READING LIST

Chapter : 1

- Comes, R. and T. Sandler (1986), The Theory of Externalities, Public Goods and Club Goods, Cambridge University Press, Cambridge.
- Duff. L. (1997), Government and Market, Orient Longman, New Delhi.

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- Herber, S. P.(1967). Modern Public Finance, Richard D. Irwin, Homewood.
- Spulber, N. (1998), Redefining the State, Cambridge University Press, Combridge.

Chapter : 2

- Dorfman, R. (Ed.) (1970), Measuring the Benefits of Government Investment, Brookings Institution, Washington.
- Duff, L. (1997), Government and Market, Orient Longman, New Delhi.
- Friedman, A. (1986). Welfare Economics and Social Choice Theory, Martins Nijhoff, Boston.
- Glennester, H. and J. Hills (1998), The State of Welfare : The Economic and Social Spending, Oxford University Press, London.

Chapter : 3

- Mishan, E. J. (1982), Cost-Benefit Analysis : An Informal Introduction, George Alien and Unwin, London.
- Peacock, A. and D. J. Robertson (Eds.) (1963), Public Expenditure : Appraisal and Control, Oliver and Boyd, Edinburgh.
- Phyrri, P. (1970), Zero Base Budgeting : A Practical Management Tool for Evaluating Expenses, John Wiley, New York.
- Premchand, A. (1966), Control of Public Expenditure in India, Allied Publishers. New Delhi.
- Sahni, B. S. (Ed.) (1972), Public Expenditure Analysis : Selected Readings, Rotherdam University Press.

Chapter : 4

- Bird, R. and O. Aidman (1967), Readings on Taxation in Developing Countries, The John Hopkins University

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- Cutt. J. (1969), Taxation and Economic Development in India. Frederick A Praegar Publishers, New York.
- Kaldor, N. (1955), An Expenditure Tax, George Alien and Unwin, London.
- Musgrave, R. A. and C. Shoup (Eds.) (1970), Readings in the Economics of Taxation, George Alien and Unwin, London.

Chapter : 5

- Barman, K. (1986), Public Debt Management in India, Uppal Publishing House, New Delhi.
- Buchanan, J. M. (1958), Public Principles of Public Debt : A Defence and Restatement, Richard D. Irwin, Homewood.
- Ferguson, J. M. (Ed.) (1964). Pubic Debt and Future Generations, North Carolina University Press, Chapel Hill.
- Sreekantaradhy. B. S. (1972), Public Debt and Economic Development in India, New Delhi.

Chapter : 6

- American Economic Association (1955), Readings in Fiscal Policy, George Alien and Unwin, London.
- Chelliah, Raja J. (1971), Fiscal Policy in Underdeveloped Countries, George Alien and Unwin, London.
- Government of India (1985), Long Term Fiscal Policy, New Delhi.
- Peacock, A. and G. K. Shaw VJ (1976), The Economic Theory of Fiscal Policy, George Alien and Unwin, London.

Chapter : 7

- Bhargava, R. N. (1967), The Theory and Working of Union Finance in India. Chaitanya Publishing House, Allahabad.

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- Bhargava, P.K. (1982), Centre State Resource Transfers in India. The Academic Press, Gurgaon.
- Chelliah, Raja J. et. al (1981), Trends and Issues in India's Federal Finance, National Institute of Public Finance and Policy, New Delhi.
- Gulati, I. S. (1979), Centre–State Financial Relations : An Assessment of the Role of Finance Commission, M. S. University of Baroda, Baroda.
- Lakdawala, D. T. (1967), Union State Financial Relations, Lalwani Publishing House, Mumbai.
- Musgrave, R. A. (1977), Essays in Fiscal Federalism, Greenwood, West Port.
- Oates, W. E. (1972), Fiscal Federalism, Harcourt Brace and Johanowich, New York.
- Reports of various Finance Commissions
- Srivastava D. K. (Ed.) (2000), Fiscal Federalism in India, Har-Anand Publications Ltd., New Delhi.

Chapter : 8

- Bhargava, R. N. (1969), Indian Public Finances, B. D. Shargava and Sons, Chandausi.
- Bhargava P. K. (1976), Taxation of Agriculture in India, Vora and Co., Bombay.
- Bhargava, P. K. (1984), Some Aspects of Indian Public Finances, Uppal Publishing House, New Delhi.
- Bhargava, P. K. (1991), India's Fiscal Crisis, Ashish Publishing House, New Delhi.
- Borkar, V. V. (1971), Income Tax Reform in India. Popular Prakashan, Bombay.
- Chelliah, R. J. (Ed.) (1997), Towards Sustainable Growth, Oxford University Press, New Delhi.
- Datt, R. (Ed.) (2001), Second Generation Economic

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Reforms in India, Deep & Deep Publication, New Delhi.

- Gandhi, V. P. (1970), Some Aspects of India's Tax Structure, Vora and Company, Bombay.
- Government of India (1992), Reports of the Tax Reforms Committee - Interim and Final (Chairman : Raja J. Chelliah).
- Jain, A. K. (1975), Taxation of Income in India, Macmillan Company of India Ltd, New Delhi.
- Jain, I. (1988), Resource Mobilization and Fiscal Policy in India. Deep & Deep Publications, New Delhi.
- Kumar, A. (1999), The Black Economy in India, Penguin, Harmondsworth.
- Mundle, S. (1999), Public Finance Policy : Issues for India, Oxford University Press, New Delhi.
- Singh, T. (2000), The Corporation Tax in India, Classical Publishing Company, New Delhi.

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**M.A. ECONOMICS PART - I
COMPULSORY PAPER
(FROM JUNE 2003)**

**EC : 3 INDIAN ECONOMIC POLICY
(REVISED COURSE)**

PREAMBLE :

The objective of this Paper at the postgraduate level would be to sharpen the analytical faculty of the student, by highlighting an integrated approach to the functioning aspects of the Indian economy, keeping in view the scope for alternative approaches. Such an analysis is essential because the Indian economy is a unique amalgam of alternative competing and often conflicting theories and a proper understanding of its working is imperative if the student is to comprehend the ramifications that underlie most of the observed phenomena in the Indian economic set-up. The emphasis of the paper is on overall social, political and economic environment influencing policy decisions. To develop all these themes, the course is divided into specific modules.

Section - I

Chapter 1 : Economic Development and its Determinants

Approaches to economic development and its measurement - sustainable development; Role of State, market and other institutions; Indicators of development - POI, HumCIn Development Index (HDI), gender development indices.

Chapter 2 : Planning in India

Objectives and strategy of planning; Failures and achievements of Plans; Developing grass-root organization for development - Panchayats, NGOs and pressure groups.

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Chapter 3 : Demographic Features, Poverty and Inequality

Broad demographic features of Indian population; Rural-urban migration; Urbanization and civic amenities; Poverty and Inequality.

Chapter 4 : Resource Base and Infrastructure

Energy : Social infrastructure - education and health; Environment; Regional imbalance; Issues and policies in financing infrastructure development.

Chapter 5 : The Agricultural Sector

Institutional Structure - land reforms in India; Technological change in agriculture - pricing of agricultural inputs and outputs; Terms of trade between agriculture and industry; Agricultural finance policy; Agricultural Marketing and Warehousing; Issues in food security - policies for sustainable agriculture.

Section - II

Chapter 6 : The Industrial Sector

Industrial policy; Public Sector enterprises and their performance; Privatisation and disinvestment debate; Growth and pattern of industrialisation; Small-scale sector; Productivity in industrial sector; Exit policy - issues in labour market reforms; Approaches for employment generation.

Chapter 7 : Money, Banking and Prices

Financial sector reforms; Review of monetary policy of RBI; Money and capital markets; Working of SEBI in India.

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Chapter 8 : External Sector

Structure and direction of foreign trade; Balance of payments; Issue in export-import policy and FEMA; Exchange rate policy; Foreign capital and MNCs in India; The progress of trade reforms in India.

Chapter 9 : Economic Reforms

Rationale of internal and external reforms; Globalisation of Indian economy; W.T.O. and its impact on the different sectors of the economy; Need for and issues in good governance; Issues in competition and safety nets in Indian economy.

BASIC READING LIST

- Ahluwalia, I. J. and I. M. D. Little (Eds.) (1999), India's Economic Reforms and Development
- (Essays in honour of Manmohan Singh), Oxford University Press, New Delhi.
- Bardhan, P. K. (9th Edition) (1999), The Political Economy of Development in India, Oxford University Press, New Delhi.
- Bawa, R. S. and P. S. Raikhy (Ed.) (1997), Structural Changes in Indian Economy, GuruNanak Dev University Press, Amritsar.
- Brahmananda, P. R. and V. A. Panchmukhi (Eds.) (2001), Development Experience in the Indian Economy : Inter-State Perspectives, Bookwell, Delhi.
- Chakravarti, S. (1987), Development Planning : The Indian Experience, Oxford University Press, New Delhi.
- Dantwala, M. L. (1996), Dilemmas of Growth : The Indian Experience, Sage Publications.

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- Datt. R. (Ed.) (2001), Second Generation Economic Reforms in India, Deep & Deep Publications, New Delhi.
- Government of India, Economic Survey, (Annual). Ministry of Finance, New Delhi.
- Jain, A. K. (1986), Economic Planning in India, Ashish Publishing House, New Delhi.
- Jalan, B. (1992), The Indian Economy - Problems and Prospects, Viking, New Delhi.
- Jalan, B. (1996), India's Economic Policy - Preparing for the Twenty First Century, Viking, New Delhi.
- Joshi, V. and I. M. D. Little (1999), India : Macro Economics and Political Economy, 1964-1991, Oxford University Press, New Delhi.
- Parikh, K. S. (1999), India Development Report - 1999-2000, Oxford University Press, New Delhi.
- Reserve Bank of India, Report on Currency and Finance. (Annual).
- Sandesara, J. C. (1992), Industrial Policy and Planning– 1947-1991 : Tendencies, Interpretations and Issues; Sage Publications, New Delhi.
- Sen, R. K. and B. Chatterjee (2001), Indian Economy : Agenda for 21st Century (Essays in honour of Prof. P. R. Brahmananda), Deep & Deep Publications, New Delhi.

ADDITIONAL READING LIST

Chapter : 1

- Haq, M. (1996), Reflections on Human Development, Oxford University Press, New Delhi.
- Thirlwall, A. P. (1994), Growth and Development, ELBS, Macmillan Press, London.

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- Todaro, M. (1997), Economic Development in the Third World, Addison-Wesley, England.

Chapter : 2

- United Nations Development Programme, (1997). Human Development Report, Oxford University Press, New Delhi.
- Byres, T. J. (Ed.) (1998), The Indian Economy : Major Debates Since Independence, Oxford
- Chakravarty, S. (1987), Development Planning - The Indian Experience, Oxford University Press, New Delhi.
- Chatopadhyaya, M., P. Matiti and M. Rakshit (Eds.) (1996), Planning and Economic Policy in India - Evaluation and Lessons for the Future, Sage Publication, New Delhi.
- Government on India, Planning Commission (1999), Ninth Five Year Plan- 1997-2002, Vol.I & II, New Delhi.
- Kabra, K. N. (1997), Development Planing in India, Sage Publications, New Delhi.

Chapter : 3

- Brahmananda, P. R. and V. R. Panchmukhi (Eds.) (1987), The Development Process of the Indian Economy, Himalaya Publishing House, Bombay.
- Chelliah, Raja J. and R. Sudarshan (1999), Income, Poverty and Beyond : Human Development in India, Social Science Press, New Delhi.
- Dandekar. V. M. (1996), The Indian Economy, 1947-92, Vol. II, Sage Publications, New Delhi.
- Hanumatha Rao, C. H. and H. Linnemann (Eds.) (1996), Economic Reforms and Poverty Alleviation in India, Sage Publications, New Delhi.
- Subramanian, S. (Ed.) (1997), Measurement of Inequality and Poverty, Oxford University Press, Calcutta.

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- World Bank (2000), India : Reducing Poverty, Accelerating Economic Development, Oxford University Press, New Delhi.

Chapter : 4

- Frederick. H. and A. M. Charles (1970), Education, Manpower and Economic Growth, New Delhi.
- Government of India, Planning Commission (1999), Ninth Five Year Plan- 1997-2002, Vol. II, New Delhi.
- Tilak. J. B. C. F. (1993), Costs and Financing of Education in India : A Review of Issues, Problems and Prospects; (Mimeo), National Institute of Educational Planning and Administration, New Delhi.

Chapter : 5

- Appu. P. S. (1996), Land Reforms in India, Vikas, New Delhi.
- Brahmananda, P. R. and V. R. Panchmukhi (Eds.) (1987), The Development Process of the Indian Economy, Himalaya Publishing House, New Delhi.
- Joshi, P. C. (1975), Land Reforms in India, Allied Publishers Pvt. Ltd., New Delhi.
- Narain, D. (1988), Studies on Indian Agriculture, Oxford University Press, New Delhi.

Chapter : 6

- Ahluwalia, I. J. (1985), Industrial Growth in India, Oxford University Press, New Delhi.
- Bhagwati, J. N. and P. Desai (1970), India : Planning for Industrialization, Oxford University Press, London.
- Datta, B. (1978), Economics of Industrialization, The Bookland, Calcutta.
- Mukherjee, D. (Ed.) (1997), Indian Industry : Policies and Performance, Oxford University Press, New Delhi.
- Swamy, D. S. (1994), The Political Economy of Industrialization pro Self-reliance to Globalization, Sage Publications, New Delhi.

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Chapter : 7

- Bhole L. M. (2000), Indian Financial System, Chugh Publications, Allahabad.
- Machiraju, H. R. (1998), Indian Financial System, Vikas Publishing House Pvt. Ltd., New Delhi.
- Rangarajan, C. (1998), Indian Economy : Essays on Money and Finance, UBS, New Delhi.
- Reserve Bank of India, Report on Currency and Finance (Annual).

Chapter : 8

- Debroy, B. (1992), Foreign Trade Policy Changes and Devaluation, B. R. Publishing Corporation, Delhi.
- Martinussen, J. (1988), Transnational Corporations in a Developing Country - The Indian Experience, Sage Publications, New Delhi.
- Mukherjee, N. (1988), India's International Payments Imbalances, Mayur Offset, Calcutta.
- Nayyar, D. (Ed.) (1997), Trade and Industrialization Oxford University Press, New Delhi.
- Nayyar, D. (1976), India's Exports and Export Policies in the 1960s, Cambridge University Press, Cambridge.
- Sen, S. (2000), Trade and Dependence : Essays on the Indian Economy, Sage Publications, New Delhi.
- Verma, M. L. (1995), International Trade, Vikas Publishing House Private Ltd, Delhi.

Chapter : 9

- Basu, K. et. al (1995), Capital Investment and Development Essays in memory of Sukhamoy Chakravarty, Oxford University Press, New Delhi.
- Byres, T. J. (Ed.) (1997), The State Development Planning and Liberalization in India, Oxford University Press, New Delhi.

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- Chelliah. Raja J. and R. Sudarshan (1999), Income, Poverty and Beyond : Human Development in India, Social Science Press, New Delhi.
- Dhameeja, Nand K. S. Sastry (1998), Privatisation : Theory and Practice, A. H. Wheeler, New Delhi.
- Dubey, M. (1996), An Unequal Treaty : World Trade Order After GATT, New Age International Ltd., Delhi.
- Government of India, Economic Survey (annual).
- Gupta, S. P. (1998), Post-Reform India : Emerging Trends, Allied Publishers, New Delhi.
- Srinivasan, T. N. (Ed.) (2000), Eight Lectures on India's Economic Reforms, Oxford University Press, Oxford.

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**M. A. ECONOMICS PART - I
OPTIONAL PAPER
(FROM JUNE 2003)**

**EC - 7 INDUSTRIAL ECONOMICS
(REVISED COURSE)**

Preamble -

The course intends to highlight on the dynamics of industrial changes in a modern economy. The approach is expected to be analytical and wherever possible the analysis shall be within the context of Indian industries.

Section - I

Chapter 1 : Framework and Problems of Industrial Economics

- 1.1 Concept and Organization of a firm.
- 1.2 Ownership, control and objectives of a firm.
- 1.3 Diversification of industries.
- 1.4 Integration, industrial combinations causes, mergers and amalgamations, effects of industrial monopoly.
- 1.5 Survival of small firms

(12 lectures)

Chapter 2 : Market Structure

- 2.1 Theories of industrial location. Weber, and Sargent Florence, Theories
- 2.2 Factors affecting industrial location

(6 lectures)

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Chapter 3 : Market Conduct

- 3.1 Product Pricing Techniques - Pricing Objectives
- 3.2 Cost Plus Pricing, Cyclical Pricing, Penetrative Pricing, Imitative Pricing, Marginal Cost Pricing, Loss leader pricing, Price Discrimination, Resale Price Maintenance.
- 3.3 Price Policy of Public Sector units, Evidence from India.
(14 lectures)

Chapter 4 : Market Performance

- 4.1 Size and growth of a Firm.
- 4.2 Constraints on growth.
- 4.3 Factors affecting industrial productivity and capacity utilization.
- 4.4 Profit Policy and Break Even Analysis.
(8 lectures)

Section - II

Chapter 5 : Indian Industrial Growth and Pattern

- 5.1 Role and Pattern of Industrialization in India
- 5.2 Trends in India's industrial growth after 1991.
- 5.3 Role of public sector, private sector and cooperative sector, Critical evaluation of their performance.
- 5.4 Performance of small scale and cottage industries in India.
- 5.5 Regional industrial growth in India.
- 5.6 Industrial economic concentration and remedial measures.
- 5.7 Impact of WTO on Indian industry, Privatization and Liberalization.
- 5.8 Role of MNCs in the context of India.
- 5.9 Major problems faced by Indian Industries such as unemployment, sickness environmental preservation, pollution control etc.
- 5.10 Export Performance of Indian Industries.

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Chapter 6 : Industrial Finance

- 6.1 Corporate and Institutional Finance - Their changing significance.
- 6.2 Corporation Tax and Dividend Policy
- 6.3 Foreign Direct Investment, Recent Trends.
- 6.4 Economic Reforms and Development Financial Institution in India.
- 6.5 Brief assessment of the working of IFCI, ICICI, IDBI, SIDBI, Exim Bank, SFCs, Commercial Banks.

(11 lectures)

Chapter 7 : Industrial Labour

- 7.1 Features of Industrial Labour. 7.2 Industrial Legislation in India.
- 7.2 Industrial Disputes - causes and remedies 7.4 Social Security Measures
- 7.3 Labour Market Reforms.
- 7.4 National Wage Policy

(5 lectures)

Chapter 8 : Current problems of Selected Industries

- 8.1 Current Problems of selected Industries in India including textiles, Iron and Steel, Cement, Engineering, Sugar, etc.

(4 lectures)

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- Ahluwalia, I. J. (1985), Industrial Growth in India, Oxford University Press, New Delhi.
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- Brahmananda, P. A. and V. A. Panchamukhi (Eds.), The Development Process of the Indian Economy, Himalaya Publishing House, Bombay.
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Agenda for the 21st Century (Essays in honour of Professor P. A. Brahmananda), Deep and Deep Publications Pvt. Ltd., New Delhi.

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**M.A. ECONOMICS PART - 1
OPTIONAL PAPER
(FROM JUNE 2003)**

**EC : 8 LABOUR ECONOMICS
(REVISED COURSE)**

PREAMBLE

Issues pertaining to the labour market, wage theories, employment policies, trade unions and collective bargaining in the globalized economy have become vitally important for developing countries. In a country like India where the bulk of the labour force is in the unorganized sector and the organized sector is witnessing "jobless" growth, the importance of issues such as employment and unemployment as well as livelihood and society security for the growing millions continues to assume significance. This paper exposes students to theoretical as well as empirical issues relation to the labour market with special reference to India.

Section - I

Chapter 1 : Labour Markets

Nature and characteristics of labour markets in developing countries like India; Paradigms of labour market analysis - Classical, neo-classical and dualistic economy, Demand for labour in relation to size and pattern of investment, Choice of technologies and labour

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policies, Supply of labour in relation to growth of labour force, Labour market policies, Mobility and productivity of labour, Rationalization; Methods of recruitment and placement.

Chapter 2 : Employment

Employment and development relationship - Poverty and unemployment in developing countries Unemployment - Concept, Types and Measurement, particularly in India; impact of rationalization, technological change and modernization on employment in organized private industry, Public sector and employment in agricultural sector, Analysis of educated unemployment; Employment policy in Five Year Plans and its evaluation.

Chapter 3 : Wage Determination

Classical, neo-classical and bargaining of wage determination; Concepts of minimum wage and fair wage. Wage determination in various sectors - rural, urban, organized, unorganized and in informal sectors : Non-wage component of labour remuneration; Inflation-wage relationship at micro and macro levels; Productivity and wage relationship; Analysis of rigidity in labour markets; National wage policy; wages and wage Boarding India : Bonus system and profit sharing.

Section - II

Chapter 4 : Industrial Relations

Theories of labour movement : Growth, pattern and structure of labour unions in India, Achievements of labour unions; Causes of industrial disputes and their settlement and prevention mechanism; Role or

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tripartism; Current trends in collective bargaining.

Chapter 5 : State and labour

State and social security of labour - Concept of social security and its evolution; Social assistance and social insurance; Review and appraisal of states policies with respect to social security and labour welfare in India; Special problems of labour; Child labour, female labour, Discrimination and gender bias in treatment of labour.

Chapter 6 : Labour Market Reforms

Exit policy, need for safety nets, measures imparting flexibility in labour markets, Second National Commission on Labour Globalization and labour markets.

BASIC READING LIST

- Datt, G. (1996), Bargaining Power, Wages and Employment : An Analysis of Agricultural, Labour : Markets in India; Sage Publications, New Delhi.
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and Employment in India, Vikas Publishing House, New Delhi.

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Chapter : 3

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Chapter : 4

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- Sach. J. (1990), 'Social Conflict and Populist Policies in Latin America' in R. Brunnetta and C. D. Aringa (Eds.), Labour Relations and Economic Performance, Macmillan, Basing Stoke.
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Chapter : 5 and 6

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- Hauseman, S. (1991), Industrial Restructuring with Job Security, Harvard University Press, Cambridge, Mass.
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**M. A. ECONOMICS PART - I
OPTIONAL PAPER
(FROM JUNE 2003)**

**EC : 9 QUANTITATIVE METHODS
(REVISED COURSE)**

PREAMBLE

The main objective of this paper is to train the students to use the techniques of mathematical and statistical analysis, which are commonly applied to understand and analyze economic problems. The emphasis of this paper is on understanding economic concepts with help of mathematical methods rather than learning mathematics itself. Hence in this paper a student will be initiated into various economic concepts with the help of mathematical methods rather than learning mathematics itself. Hence in this paper a student will be initiated into various economic concepts, which are amenable to mathematical treatment. The paper also deals with simple tools and techniques which will help a student in data collection, presentation, analysis and drawing inferences about various statistical hypotheses.

Section - I

Chapter 1 : Mathematical Methods- 1

Concept of function and types of functions; limit, continuity and derivative; Rules of differentiation; Interpretation of revenue, cost, demand, supply functions; Elasticities and their types; Multivariable functions; Concept and types of production functions; Rules of partial differentiation and interpretation of partial

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derivatives; Problems of maxima and minima in single and multivariable functions; Unconstrained and constrained optimization in simple economic problems; Simple problems in market equilibrium; Concept of integration; Simple rules of integration; Application to consumer's surplus and producer's surplus; Growth rates and simple properties of time path of continuous variables.

Chapter 2 : Mathematical Methods - 2

Determinants and their basic properties; Solution of simultaneous equations through Cramer's rule; Concept of matrix-their type's, simple operations on matrices, matrix inversion and rank of matrix; Concept of vector-its properties; Matrices and vectors; Concept of quadratic forms Eigen roots and Eigen vectors; Introduction to input-output analysis; Difference equations- Solution of first order and second order difference equations; Applications in trade cycle model; Growth models and lagged market equilibrium models.

Chapter 3 : Mathematical Methods - 3

Linear programming - Basic concept; Formulation of a linear programming problem, Its structure and variables; Nature of feasible, basic and optimal solution; Solution of linear programming through graphical and simplex method; Statement of basic theorems of linear programming; Formulation of the dual of a programme and its interpretation; Shadow prices and their uses; Concept of duality and statement of duality theorems; Concept of a game; Strategies - simple and mixed; Value of a game; Saddle point solution; Simple applications.

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Chapter 4 : Statistical Methods - 1

Meaning, assumptions and limitations of simple correlation and regression analysis; Pearson's product moment and spearman's rank correlation coefficients and their properties; Concept of the least squares and the lines of regression; Standard error of estimate; Partial and multiple correlation and regression (applications only)

Chapter 5 : Statistical Methods - 2

Deterministic and non-deterministic experiments; Various types of events - classical and empirical definitions of probability; Laws of addition and multiplication; Conditional probability and concept of interdependence; Baye's theorem and its applications; Properties (without derivations) of Binomial; Poisson and Normal distributions.

Chapter 6 : Statistical Meethods - 3

Basic concept of sampling - random and non-random sampling; Simple random; stratified random and p.p.s. sampling; Concept of an estimator and its sampling distribution; Desirable properties of an estimator; Formulation of statistical hypotheses - Null and alternative; Goodness of fit; Confidence intervals and level of significance; Hypothesis testing based on Z, t, X^2 (Chi-square) and F tests; Type 1 and Type 2 errors.

BASIC READING LIST

- Alien, A. G. D. (1974), Mathematical Analysis for Economists, Macmillan Press and ELBS, London.
- Chiang, A. C. (1986), Fundamental Methods of Mathematical Economics, McGraw Hill, New York.

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Chapter : 1

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- Monga. G. S. (1972), Mathematics and Statistics for Economists, Vikas Publishing Hosue, New Delhi.
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Chapter : 2

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Chapter : 3

- Hadley, G. (1962), Linear Programming, Addison Wesley Publishing Co., Massachusetts.
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Chapter : 4

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**M. A. ECONOMICS PART - I
OPTIONAL PAPER
(FROM JUNE - 2003)**

**EC : 10 ECONOMETRICS
(REVISED COURSE)**

PREAMBLE :

Application of economic theory need a reasonable understanding of economic relationships and relevant statistical methods. The econometric theory thus becomes a very powerful tool for understanding of applied economic relationships and for meaningful research in economics. This paper accordingly is devoted to equip the students with basic theory of econometrics and relevant applications of the methods.

The topics covered in the course include various problems faced in estimation of both single equations and simultaneous equations models. The course also covers various econometric methods applicable to different topics in economics and those needed for applied economic research. An introductory module on multivariate methods has also been included in the course which constitutes an important tool for analysis in multivariable data in development-related studies.

Chapter 1 : Basic Economics

Nature, meaning and scope of econometrics, Simple and linear regression model—Assumptions, Estimation (through OLS approach) and properties of estimators; Gauss-Markov theorem; Concepts and derivation of R^2 and adjusted R^2 , Estimation of non-linear equations - parabolic, exponential, geometric, hyperbolic, modified exponential :

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Chapter 2 : Problems in Regression Analysis

Nature, test, consequences and remedial steps of problems of heteroscedasticity, Multicollinearity and auto-correlation; Problems of specification error; Errors of measurement.

Chapter 3 : Regressions with Qualitative Independent Variables

Dummy variable technique use of dummy variables, regression with dummy dependent variables; regression with dummy independent variables. The LPM, Logit, Probit and Tobit models Applications

Chapter 4 : Dynamic Econometric Model

Autoregressive and distributed lag models - Koyak model, Partial adjustment model, adaptive, expectations; Instrumental variables; Problem of auto-correlation-Application; Almon approach to distributed-lag models;

Chapter 5 : 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; structural form and reduced form, Methods of estimating simultaneous equation system; Recursive methods and OLS; Indirect least squares (ILS); 2SLS, 3SLS and FIML Methods.

Chapter 6 : Time Series Analysis

Stationarity, Unit roots, co-integration-spurious regression, Dickey-Fuller test, Engle-Granger test, Random walk model, Forecasting with ARIMA modelling; Box-Jenkins methodology; Vector autoregression; Problems with VAR modelling.

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Chapter 7 : Multivariate Analysis

Multivariate probability distribution, marginal and conditional probability distribution, multivariate normal distribution and its properties; Hotelling T-scale; Discriminant analysis.

BASIC READING LIST

- Amemiya, T. (1985), Advanced Econometrics, Harvard University Press, Cambridge, Mass.
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- Dongherty, C. (1992), Intorduction to Econometrics, Oxford University Press, New York.
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Chapter : 2

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Chapter : 7

- Anderson, T. W. (1958), Introduction to Multivariate Statistical Analysis, Chapman and Hall, London.
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**M. A. ECONOMICS PART - 1
OPTIONAL PAPER
(FROM JUNE - 2003)**

**EC: 11 DEMOGRAPHY
(Revised Course)**

PREAMBLE

The main objective of this paper is to make the students aware of the importance of population in economic development and various theories that explain the growth of population in a country. The paper also enlightens the student on the quantitative and the qualitative aspects. And characteristics of the population through various demographic techniques. In recent times, gender characteristics of the population have acquired importance and these have also been included in the framework of study. Migration and urbanization are the characteristics of structural change taking place in a society. Their study is essential to understand the dynamics of this change. The paper exposes the students to sources of population and related characteristics as also, to the rationale, need and evolution of population policy.

Section - I

Chapter 1 : Population and Dvelopment

Meaning and scope of demogrphy : Components of population growth and their inter-dependence; Measures of population chage; Structure, distribution and sources of population data; Theories of population - Malthus,

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Optimum theory of population; Theory of demographic transition Views of Meadows,, Enke and Simon; Population and development.

Chapter 2 : Structure of Population

Population trends in the twentieth century; Population explosion - Threatened or real, distant or imminent; International aspects of population growth and distribution; Pattern of age and sex structure in more developed and less developed countries; Determinants of age and sex structure; Demographic effects of sex and age structure, economic and social implications; Age pyramids and projections– individual aging and population aging.

Chapter 3 : Fertility, Nuptiality and Mortality

Importance of study of Fertility - Total fertility rate, Gross reproduction rate and net reproduction rate; Levels and trends of fertility in more and less developed countries; Factors affecting fertility - Socio-economic factors, Economic status, health, education, nutrition, caste, religion, race, region, rural-urban and status of husband and wife; 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; Mortality at birth and infant mortality rate; Levels and trends in more and less developed countries; Sex and age pattern of mortality; Factors for decline in mortality in recent past.

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Section - II

Chapter 4 : Migration and Urbanization

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.

Chapter 5 : Demographic data Base in India

Study of census in India- Methodology and Characteristics of census; Nature of information collected in 1971, 1981, 1991 and 2001 census in India: National Family Health Survey 1 and 2 and Rapid Household Survey; changing characteristics of population in India; Population growth rates, trends and regional variations in sex ratio; Age structure of population, foetal, infant and child mortality rates; Maternal mortality rates; Life Expectancy; Appraisal of Kerala model Pattern of Migration and Urbanization in India.

Chapter 6 : Population Policy in India

Evolution of population policy - 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 new population policy; Tasks before the National Population Commission.

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- Bose, A. (1996) India's Basic Demographic Statistics, B. A. Publishing Corporation, New Delhi.
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- Gulati, S. C. (1988), Fertility in India; An Econometric Study of a Metropolis, Sage, New Delhi.
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ADDITIONAL READING LIST

Chapter : 1 and 2

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- Simon, J. L. (1992), Egulation and Development in Poor Countries, Princeton University Press.

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Chapter : 5

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Chapter 7 :

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- Mishra, S. (2000), Voluntary Action in Health and Population : The Dynamics of Social Transition, Sage, New Delhi.
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COMPULSORY DEPARTMENTAL COURSE
FOR M. A. ECONOMICS
INTERNAL STUDENTS- COMMON FOR
BOTH PARTS
FROM JUNE - 2003

EC- 21: RESEARCH PROJECT/DISSERTATION
(NEW COURSE)

I. Preamble

Students who complete their post-graduation in Economics are mentally equipped to pursue research in the same discipline. It is generally accepted that research is nothing but extension and application of knowledge in a certain specialized field. Therefore regular students who do their post-graduation, as internal students will be given an opportunity to get exposed to a few elements of social research and also they are expected to complete a small research project under the expert guidance and supervision, Elementary knowledge of research methodology shall consolidate and deepen their understanding of various branches of Economics. Preparing a small dissertation is intended to train them in scientific thinking and art of systematic presentation. It is essentially a job-oriented exercise to enable them to take up the exciting field of social and economic research. This is an internal course, compulsory to all full time regular students; and could be appended to MA Part I or Part II course in Economics.

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II: Course Structure

- A. Section I :** is of Research Methodology and shall be taught during the first term. At the end of the term a written test of 60 marks will be held. The question paper will be set at the post-graduate centre level and the assessment shall be also at the centre level. Marks obtained by the candidate will be divided by 3, and thus marks out of 20 shall be counted for the final result.
- B. Section II** is of dissertation. A candidate shall submit a dissertation of minimum 8000 words (maximum 10,000 words) in three copies to the Head of the Department by 31st March. The dissertation shall be prepared under the guidance of an internal post-graduate recognized teacher. A synopsis not exceeding 500 words shall also be submitted in three copies along with the copies of dissertation. An internal supervisor shall assess each dissertation out of 50 marks, based on the methodology, analysis, contents and quality of the dissertation.
- C. Section III** A viva voce examination of each candidate shall be held where he/she will have to make a presentation of the dissertation and defend the research. A panel of two referees shall be formed out of whom one shall be an internal examiner. The *viva voce* shall carry 30 marks.

TOTAL SECTION I, II & III = 100 MARKS.

All the above three components/sections shall be taken together to form one single head of passing; the minimum standards of passing shall be 40% marks.

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The marks when added up together shall be converted into grades as follows :

Tabel :1: Marks Conversion into Grade

Sr.No.	Marks Obtained	Grade
1.	40-49	C
2.	50-54	B
3.	55-59	B+
4.	60-69	A
5.	70-79	A+
6.	80 and above	O

The grades obtained by the candidate shall be communicated to the University office not latter than 30th April, but in any case before the commencement of the external theory University examination.

The copies of dissertaion and the record of the internal course shall be maintained by the centre for two more academic years for inspection.

The grades obtained to this course shall be included in the statement of marks of all the regular internal students.

III : Scale of Remuneration

As per the University Guide Lines

1. Supervising the dissertation of candidates (Rs. 200/- per candidate)
2. Holding viva voce of candidates (Rs. 50/- per candidate per referee/examiner)

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IV. Syllabus for the Section I (First Term)

1. Meaning of Research - Pure and Applied Research, nature, importance and utility of social research- Limitation of and difficulties in social research. Exploratory Studies Descriptive Research, Casual Research (6)
2. Elements of Scientific Method, Application of scientific method to social behaviour and phenomenon (3)
3. Information Systems and Knowledge management, Global Informaton Systems, Computerized data archives, use of Internet and Information Technology.
4. Hypothesis- Definition, Formulation and Its Role (3)
5. Research Design - Stages Involved in designing research (5)
6. Sampling Technique - Types of samples (6)
7. Research Techiques - Data collection, Primary and Secondary Data Observation, Interviews, Questionnaire, Case study Method (8)
8. Data Processing - Data Analysis, Presentation of findings Research Report (6)

Total Nos of Lectures : 40

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- Pauline, Young- *Scientific Social Surveys and Research*

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- Sharma Prasad and Satyanarayana (Ed) - *Research Methods in Social Sciences.*
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- Sadhu and Singh - *Research Methodology in Social Sciences.*
- Kurien. C. T. - *A Guide to Research in Economics*
Zikmund - *Business Reserch Methods.*
- ज. फा. पाटील, के. जी. पठाण, पी. जे. ताम्हनकर : अर्थशास्त्रीय संशोधनाची तोंडओळख, काँटिनेंटल, प्रकाशन, पुणे.
- गुरुनाथ नाडगोंडे : सामाजिक संशोधन पद्धती, फडके प्रकाशन, कोल्हापूर
- प्रदीप आगलवे : संशोधन पद्धती-शास्त्र व तंत्र, विद्या प्रकाशन, नागपूर.
- पु. ल. भांडारकर : सामाजिक संशोधन पद्धती, म. वि. ग्रंथनिर्मिती मंडळ, नागपूर.