

# FACULTY OF ECONOMICS & BUSINESS

## SYLLABUS

FOR

### INTERDISCIPLINARY COURSE (UG & PG) (Under Credit Based Continuous Evaluation Grading System)

### (ECONOMICS)

Examinations: 2015-16



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## GURU NANAK DEV UNIVERSITY AMRITSAR

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Interdisciplinary Course in Economics  
(Under Credit Based Continuous Evaluation Grading System)

**SCHEME OF COURSES:****Interdisciplinary Course for UG level**

<b>Paper</b>	<b>Title</b>	<b>Credits</b>
EOL001	General Economic (Odd Semester)	<b>3-0-0</b>
EOL002	Indian Economic Problems (Even Semester)	<b>3-0-0</b>

**Interdisciplinary Course for PG level**

<b>Paper</b>	<b>Title</b>	<b>Credits</b>
EOL051	Economic Analysis (Odd Semester)	<b>3-0-0</b>
EOL052	Indian Economic Issues and Policies (Even Semester)	<b>3-0-0</b>
EOL053	Applied General Statistics (Even Semester)	<b>3-0-0</b>

**Punjab School of Economics  
(For odd semester at UG level)**

**EOL001**

**General Economic**

**Credits : 3-0-0**

**Minor-I**

Microeconomics vs. Macroeconomics, Central economic problems of an economy. Consumer Analysis: Utility theory; conditions of consumer's equilibrium, Demand – determinants of demand, law of demand, shifts along and shifts of the demand curve. Elasticity of demand and its measurement.

Cost curves: fixed and variable; short and long run costs. Elementary analysis of market forms.

**Minor-II**

Circular flow of income; methods of computing national income; National income aggregates. Aggregate demand and its components; GDP and welfare, Propensity to consume and save, Investment multiplier, Full employment and unemployment.

**Major (including Minor-I and Minor-II)**

Money – its meaning and functions. Supply of money. Credit creation by commercial banking system. Central bank and its functions.

Government budget: meaning, objectives and components. Classification of receipts and expenditure; fiscal deficit and policy.

Balance of payment – meaning and components, foreign exchange rate – meaning of fixed and flexible rates and managed vs. floating rate. Determination of exchange rate in a free market. Economic reforms since 1991 – Need and main features, an appraisal of LPG policies.

**Recommended Readings**

1. Stonier and Hague, A Text Book of Economic Theory, Pearson Publication.
2. R.G. Lipsey, Positive Economics, English Language Book Society.
3. Chelliah, R., Fiscal Policy in Underdeveloped Countries, George Allen & Unwin, London.
4. Dernberg & Mcdongal, Macro Economics: The Measurement Analysis and Control of Aggregate, McGraw Hill. New York.
5. Shapiro, E. (1996), Macroeconomic Analysis, New Delhi..
6. Mundle, S. (1999), Public Finance Policy, OUP, New Delhi.
7. M.C. Seth, Modern Economic Theory.
8. Soderston, B.O. (1991), International Economics, The Macmillan Press, London.
9. N.C. Ray, Microeconomics, NCERT, New Delhi.
10. Locket, D.G. : Money and Banking, McGraw Hill, New York, 1976.
11. Bhole, L.M. : Financial Institutions and Market Structure, Growth and Innovations, 4<sup>th</sup> ed., 2007, Tata McGraw Hill.

**Punjab School of Economics**  
**(For even semester at UG level)**  
**Indian Economic Problems**

**EOL002**

**Credits : 3-0-0**

Minor-I

Structure of Indian Economy: Indian economy on the eve of independence; Nature of Indian economy; Major problems of Indian economy: population, unemployment, poverty and rising prices.

Planning in India: Objectives, strategy and achievements of planning in India (brief idea of latest five year plan); New economic reforms – Liberalization, Privatization and Globalization. Rationale behind economic reforms.

Minor-II

Agriculture: Role and nature of agricultural sector, production and productivity trends; new agricultural strategy and green revolution; agricultural price policy.

Industry: Pattern of growth and performance; public sector in India – role, growth, performance and problems; new Industrial policy.

Major (including Minor-I and Minor-II)

Foreign Trade: India's foreign trade – features, composition and direction. India's balance of payments problem; Indian trade policy.

Indian taxation: Direct vs. indirect taxes; Fiscal deficit and policy.

Main features of economic reforms since 1991; Poverty : Features and estimates; Poverty alleviation programmes; Sustainable economic development; Infrastructure : Social and economic; Human capital formation.

Employment and unemployment : Problems and Policies.

**Recommended Readings**

1. Dhingra, I.C., The Indian Economy Environment and Policy, Sultan Chand & Sons, New Delhi (latest).
2. Economic and Political Weekly (Various Issues).
3. Economic Times and Financial Express.
4. Govt. of India, Economic Survey (Various Issues).
5. Misra S.K. and Puri V.K., Indian Economy, Himalaya Publishing House, New Delhi (latest).
6. Ruddar Dutt and KPM Sundaram, Indian Economy, S Chand and Company Ltd., New Delhi (latest).
7. P.K. Dhar, Indian Economic Problems, Kalyani Publishers, Ludhiana and New Delhi (latest).

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**Punjab School of Economics**  
**(For odd semester at PG level)**

**EOL051**

**Economic Analysis**

**Credits : 3-0-0**

**Minor-I**

Demand analysis: meaning, determinants and law of demand. Supply : meaning, determinants and law of supply. Market price determination.

Production function: short period and long period. Cost function: short period and long period. Price determination under perfect competition and monopoly.

**Minor-II**

National Income : Concept and measures. Different measures of national income.

Psychological law of consumption; Investment : Meaning and forms; Inflation : Meaning and causes. Inflation-Unemployment trade-off.

**Major (including Minor-I and Minor-II)**

Economic Development: meaning and measurement; Underdevelopment: meaning and characteristics; Growth, Poverty and Income distribution relationship; Dualism: social and technological; Lewis and Todaro Models.

The Pure Theory of International Trade: The theory of comparative advantage and Heckscher Ohlin model and its empirical testing.

The theory and practice of Commercial Policy: Secular deterioration in terms of trade of developing countries; Tariff and non-tariff developing barriers to trade. Bilateralism and multilateralism.

**References**

1. Briet W. and Hochman H M (ed.) : Readings in Microeconomics.
2. Edwin Mansfield (Ed.) : Microeconomics (Selected Reading) 2nd Edition
3. Pindyck, R S, and Rubinfeld, D L: Microeconomics (3rd ed.), PH; New Delhi(1996)
4. Arnold, A. Roger "Macro Economics", Fourth Edition South -Western College Publishing, An International Thomson Publishing Company, Clincinnati, Ohio, USA, 1998 (Ch. - 11,13)
5. Froyen, Richard T. Macroeconomics, Theories and Policies, Prentice Hall International Inc. London, I 999(Ch. 8.6,9,11,12,14)
6. Abel, Andrew B & Ben S. Bernanke Macroeconomics, Pearson Education Singapore, 2003 (Ch.12)
7. Yotopolus, P.A. and Nugent, J.B. : Economics of development Empirical Investigation.
8. Meier, G.(ed.): Learning Issues in Economic Development.
9. Singh,S.P.(ed.): Underdevelopment to Development Economics.
10. Griffin,K.B. and Enos, J.L.: Planning Development
11. Canes, Frankel and Jones : World Trade and Payments, An Introduction, Pearson Education.
12. Soderston, B. : International Economics, Macmillan.

**EOL052**  
**Punjab School of Economics**  
**(For even semester at PG level)**  
**Indian Economic Issues and Policies**

**Credits : 3-0-0**

**Minor-I**

International Trade : Foreign Trade, foreign investment and foreign exchange reserves. Banking sector: Banking sector reforms and its performance during liberalization period. RBI – Recent monetary and credit policy.

**Minor-II**

Industrial Development in India: Recent national manufacturing policy; Industrial sickness in India : Problems and policy; Industrial competitiveness and role of competition policy; Recent policies on micro, small and medium enterprises; Recent global recession and industrial slow down in India and stimulus package for industry recovery; Recent industrial infrastructure development policy in India.

**Major (including Minor-I and Minor-II)**

Agricultural Issues : Role of agriculture in Indian economic development; Mechanisation of Indian agriculture; Green revolution in India; Problems of small farmers in India; Rural credit and indebtedness of farmers.

Major Taxes and Burden of Taxation in India; Public Expenditure in India : Trends and Issues; India's Fiscal Policy.

**References:**

1. Rao, Hanumantha, C.H., Technological Change and Distribution of Gains in Indian Agriculture, 1980.
2. Ahluwalia, I.J., Industrialisation Growth in Indian Stangation since Mid 60's 1985.
3. Kapila, Uma (ed.) Indian Economy Since Independence, 1993
4. Dholkia, B.H., Sources of Economic Growth, 1974.
5. Jalan, Bimal (ed.), The Indian Economy Problems and Prospects, 1975.
6. Brahamanda, P.R. and Panchmukhi, V.R. (ed.) The Development Process of the Indian Economy, Himalaya Publishing House, Bombay, 1987.
7. Dantwala, M.L., Indian Agriculture Development since Independence, Oxford, IBH Pub. Co., New Delhi, 1991.
8. Raj Kapila and Uma Kapila, India's Economy in the 21<sup>st</sup> Century, 2002.

**Punjab School of Economics**  
**(For even semester at PG level)**  
**Applied General Statistics**

EOL053

Credits: 3-0-0

**Minor-I**

Type of data; Meaning and methods of computing different measures of central tendency, dispersion, skewness and kurtosis; meaning and distinction between correlation and regression analysis; Methods of computing Pearson's product moment and Spearman's rank correlation coefficients; estimation of simple regression equation.

**Minor-II**

Classical definition of probability, concept of conditional probability and laws of probability (without proof; with simple examples); Concept of a random variable and its probability distribution; Characteristic features of binomial, Poisson, exponential and normal distributions; Some areas of applications of each of these distributions.

**Major (including Minor-I and Minor-II)**

Usefulness of sampling; Meaning and method of drawing a simple random sample (with and without replacement); Concept of a statistic and its standard error; Meaning and method of constructing confidence interval (for sample mean); Concepts of hypotheses testing; distinction between null and alternative hypotheses, two-types of errors in hypotheses testing, level of significance and p-value of a test; Z and t-tests for significance of difference between means of two samples;  $\chi^2$ -test for goodness of fit and independence of attributes.

**References:**

1.	D.R. Anderson, D.J. Sweeney and T.A. Williams (2011):	Statistics for Business and Economics, 11 <sup>th</sup> Ed., New Delhi: Cengage Learning India Pvt. Ltd.
2.	R.V. Hogg and E.A. Tanis (2002):	Probability and Statistical Inference, 6 <sup>th</sup> Ed., Delhi: Pearson Education Pvt. Ltd., India.
3.	Murray R. Spiegel (1992):	Theory and Problems of Statistics, 2 <sup>nd</sup> Ed., Singapore: Schaum's Outline Series.
4.	Ya-Lun-Chou (1975):	Statistical Analysis, 2 <sup>nd</sup> Ed. Delhi: Pearson Education Pvt. Ltd., India.
5.	J.K. Sharma (2004):	Business Statistics. Delhi: Pearson Education Pvt. Ltd., India.
6.	R.I. Levin and D.S. Rubin (2004):	Statistics for Management, 7 <sup>th</sup> Ed. Delhi: Pearson Education Pvt. Ltd., India.