FACULTY OF ECONOMICS & BUSINESS

SYLLABUS

FOR

M. A. (ECONOMICS)
(SEMESTER I – IV)

Session: 2019-20

GURU NANAK DEV UNIVERSITY
AMRITSAR

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M.A. (ECONOMICS) (SEMESTER SYSTEM)

Outlines of Tests, Syllabi and Courses of Reading

Semester-I
MAE-101 Microeconomics-I 100 Marks
MAE-102 Macroeconomics-I 100 Marks
MAE-103 Quantitative Methods for Economists-I 100 Marks

Any two of the following options:-
MAEO-1 Public Finance (100 Marks each)
MAEO-2 Economics of Labour
MAEO-3 Theory of Statistics
MAEO-4 Money, Banking and Finance
MAEO-5 Industrial Economics
MAEO-6 History of Economic Thought
MAEO-7 Economics of Socialism
MAEO-8 Econometrics
MAEO-9 Economics of Agriculture
MAEO-10 Economics of Public Enterprises
MAEO-11 Computer Applications for Economists (Th.: 80+ Pr.: 20) = 100 Marks
MAEO-12 Operations Research
MAEO-13 Economics of Environment and Demography
MAEO-14 Economics of Infrastructure
MAEO-15 Dissertation*(* in lieu of one optional paper in M.A. Semester III and IV each.) 200 Marks

SEMESTER-II
MAE-201 Microeconomics-II 100 Marks
MAE-202 Macroeconomics-II 100 Marks
MAE-203 Quantitative Methods for Economists-II 100 Marks

Any two of the options under MAEO-1 to MAEO-15 not already opted for in Semester I.

SEMESTER-III
MAE-301 Economics of Development 100 Marks
MAE-302 International Economics-I 100 Marks
MAE-303 Indian Economy 100 Marks

Any two of the options under MAEO-1 to MAEO-15 not already opted for in Semester I and II.

SEMESTER-IV
MAE-401 Economics of Planning 100 Marks
MAE-402 International Economics-II 100 Marks
MAE-403 Punjab Economy 100 Marks

Any two of the options under MAEO-1 to MAEO-15 not already opted for in Semester I, II and III.
MAE-101 : MICROECONOMICS-I

Time: 3 Hours

Max. Marks: 100

Instructions for the Paper Setters:
Eight questions of equal marks (Specified in the syllabus) are to be set, two in each of the four Sections (A-D). Questions may be subdivided into parts (not exceeding four). Candidates are required to attempt five questions, selecting at least one question from each Section. The fifth question may be attempted from any Section.

SECTION A
Basic Economic Problem – Choice and Scarcity; Deductive and Inductive Methods of Analysis; Role of assumptions in theory formulation; Positive and Normative Economics; Economic Models.
Elasticities (Prices, cross, income) of demand – theoretical aspects and empirical estimation; elasticity of supply.

SECTION B
Theories of demand – utility; indifference curve (income and substitution effects, Slutsky theorem, compensated demand curve) and their applications; Revealed preference theory.

SECTION C
Consumer’s choice involving risk: describing risk, preference towards risk, the demand for risky assets; Consumer’s behavior under asymmetric information; implications of asymmetric information, market signaling, moral hazard, managerial incentives in an integrated firm, asymmetric information in labour markets–efficiency wage theory; Recent developments in demand analysis (pragmatic approach and linear expenditure systems).

SECTION D
Production function: Short period and long period; law of variable proportions and returns to scale; Isoquants – Least cost combination of inputs; Returns to scale; Economies of scale; Multiproduct firm; Elasticity of substitution; Euler’s theorem; Technical progress and production; Cobb–Douglas, CES and their properties. Traditional and modern theories of costs – Derivation of cost functions from production function; (C–D and CES).

Suggested Readings:
M.A. (ECONOMICS) (SEMESTER–I)

MAE-102 : MACROECONOMICS-I

Time: 3 Hours

Instructions for the Paper Setters:
Eight questions of equal marks (Specified in the syllabus) are to be set, two in each of the four Sections (A-D). Questions may be subdivided into parts (not exceeding four). Candidates are required to attempt five questions, selecting at least one question from each Section. The fifth question may be attempted from any Section.

SECTION A

SECTION B
Consumption Function: Keynes psychological law of consumption; short–run and long–run consumption function; Empirical evidence on consumption function; income–consumption relationship–absolute income, relative income, life cycle and permanent income hypotheses.

SECTION C
Investment Function: Inducement to invest – Marginal efficiency of investment and Marginal efficiency of capital criterion; the accelerator and investment behavior; Jorgenson’s Model.

SECTION D
Money: Concept of money; A behavioral model of money supply determination, High powered money and money multiplier; control of money supply. Classical and Keynesian approach to demand for money; Post–Keynesian approaches to demand for money – Patinkin and the Real Balances Effect, Approaches of Baumol and Tobin; Friedman and modern quantity theory.

Suggested Readings
Time: 3 Hours
Max. Marks: 100

Instructions for the Paper Setters:
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SECTION A
Concept of function and types of functions; Rules of differentiation; Application to revenue, cost, demand, supply functions; Elasticities and their types; production function; Rules of partial differential and interpretation of partial derivatives; homogeneous functions and Euler’s theorem.

SECTION B
Problem of maxima and minima in single and multivariable (upto 3) functions; Unconstrained and constrained optimization in simple economic problems; Simple applications in market equilibrium; Concept of integration; Simple rules of integration; Application to consumer’s surplus and producer’s surplus.

SECTION C
Determinants and their basic properties; Solution of simultaneous equations through Cramer’s rule, Concept of matrix–their types, simple operations on matrices, matrix inversion and rank of a matrix; Concept of quadratic form, Eigen roots and Eigen vectors; Introduction to input–output analysis.

SECTION D
Linear Programming –Formulation and solution through graphical and simplex method. Statement of basic theorems of linear programming; Formulation of the dual of primal and its interpretation; Shadow prices and their uses; Concept of duality; Concept of a game; Strategies – simple and mixed; Value of a game; Saddle point solution; Simple applications.

Suggested Readings:
MAEO-1 : PUBLIC FINANCE

Time: 3 Hours  
Max. Marks: 100

Instructions for the Paper Setters:-
Eight questions of equal marks (Specified in the syllabus) are to be set, two in each of the four Sections (A-D). Questions may be subdivided into parts (not exceeding four). Candidates are required to attempt five questions, selecting at least one question from each Section. The fifth question may be attempted from any Section.

SECTION A
Meaning and scope of Public Finance, Role of Public Finance in developing countries. Distinction between public, private and merit goods. Public revenue : sources, taxation, tax elasticity and buoyancy, taxable capacity and tax effort; Theory of incidence; equity in taxation; principles of taxation; direct and indirect taxes; effect of taxation on production and distribution; major taxes in India; tax reforms in India.

SECTION B
Theory of public expenditure, structure and growth of public expenditure, reasons for growth in public expenditure; Wagner’s law; Effects of public expenditure on production and distribution. Role of public expenditure in developing countries.

SECTION C
Public budgets: kinds of budget, programme budgeting and zero-base budgeting; different concepts of budget deficits, budget of Union Government in India. Public debt: classification, significance and burden of public debt, principles of debt management, external debt servicing, Public debt in India.

SECTION D

Suggested Readings:
MAEO-2 : ECONOMICS OF LABOUR

Time: 3 Hours

Instructions for the Paper Setters:-
Eight questions of equal marks (Specified in the syllabus) are to be set, two in each of the four Sections (A-D). Questions may be subdivided into parts (not exceeding four). Candidates are required to attempt five questions, selecting at least one question from each Section. The fifth question may be attempted from any Section.

SECTION A
Nature, scope and subject matter of labour economics; Labour Market : Concept, characteristics, nature and characteristics and growth of labour markets in India. Theories of Labour markets : Classical, Neo-classical, Dualistic Labour Markets.

SECTION B
Employment and Unemployment – Concept, types and measurements; nature of unemployment in India, Employment policy in five year plans.

Wages: classical and neo-classical and bargaining theories of Wages. Concept of Wages – minimum wage, living wage and fair wages in India. Wages and productivity.

SECTION C
Trade Unions; Objectives and functions, Trade unions in India.

Industrial Relations in India. Industrial Disputes – Causes and extent. Dispute settlement Machinery in India in the framework of Industrial Disputes Act.

SECTION D
Social Security – social assistance, social insurance and social security policy in India. Labour Welfare: State policies with respect to labour welfare in India. Labour market reforms in India-exit policy and measures to make labour market flexible; Second National Commission on labour. Globalization and labour markets.

Suggested Readings:
1. Datar, B.N. : Labour Economics
2. Dobb, Maurice : Wages
M.A. (ECONOMICS) (SEMESTER–I)

MAE-3 : THEORY OF STATISTICS

Instructions for the Paper Setters:-
Eight questions of equal marks (Specified in the syllabus) are to be set, two in each of the four Sections (A-D). Questions may be subdivided into parts (not exceeding four). Candidates are required to attempt five questions, selecting at least one question from each Section. The fifth question may be attempted from any Section.

SECTION A
Axiomatic definition of probability, Chebychev’s inequality, Baye’s Theorem, meaning of theoretical probability distributions; derivation of main properties of binomial, poisson, normal, gamma and beta distributions.

SECTION B
Meaning of sampling distribution of a statistic; desirable properties of point estimators; internal estimation; derivation of main properties of \( \chi^2 \), \( t \) and \( F \) distributions; maximum likelihood estimation (properties without derivation) and applications.

SECTION C
Basic concepts of hypotheses testing; tests of significance based upon \( Z \), \( \chi^2 \), \( t \) and \( F \) distributions.

SECTION D
Non-parametric tests (without derivations; stress on numerical examples): Ordinary sign test, Wilcoxon’s signed rank test, test of randomness, Wald-Wolfowitz run test, Mann-Whitney test, Kruskel-Wallis test, Kendall’s concordance test.

Suggested Readings:
Instructions for the Paper Setters:-
Eight questions of equal marks (Specified in the syllabus) are to be set, two in each of the four Sections (A-D). Questions may be subdivided into parts (not exceeding four). Candidates are required to attempt five questions, selecting at least one question from each Section. The fifth question may be attempted from any Section.

SECTION A
Money: Definition, functions, role of money in socialistic and capitalistic economy, kinds of money, Inside and Outside money, Neutrality of money-Don Patinkin’s, Meltzer’s and Gurley and Shaw’s analysis. Supply of money in India: Significance and Determinants, mechanics of money supply in India. Demand for Money: The traditional quantity theory; Fisher’s equation of exchange; Cambridge cash balance approach. Keyensian, Friedman’s and Neo-Keyensian theories of demand for money, empirical evidence.

SECTION B
Financial System: Commercial Banks: Systems, Theories of banking, Portfolio behaviour, Innovative banking, Credit creation, Role in economic development. Non-Bank Financial Intermediaries (NBFI’s), Credit creation by NBFI’s and monetary policy. Development banking and its lending activities with special reference to India; Co-ordination between banks and term lending institutions in India.

SECTION C
Banking in India: Structure of Commercial Banks; Regional Rural Banks (R.R.B.’s); Co-operative Banks, Nationalisation of banks in India: Banking Sector reforms.

Central Banking: Functions with special reference to developing countries, Monetary policy: Objectives, Targets and Indicators. Transmission Mechanism, Lags in Monetary policy, Reserve Bank of India: limitations of RBI.

SECTION D
Rate of Interest: Determination; Theories of the term structure of interest rates, Nature and Structure of interest rates in India. Money and Capital markets: Structure, Treasury Bills Market, Call money market and Stock markets in India. Dichotomy in Indian money market. Interest rate policy in India; Recent developments. Financial sector reforms (recent developments).

Suggested Readings:
7. Reserve Bank of India (1985), Report of the Committee to review the working of the Monetary System.
MAEO-5 : INDUSTRIAL ECONOMICS

Time: 3 Hours
Max. Marks: 100

Instructions for the Paper Setters:-
Eight questions of equal marks (Specified in the syllabus) are to be set, two in each of the four Sections (A-D). Questions may be subdivided into parts (not exceeding four). Candidates are required to attempt five questions, selecting at least one question from each Section. The fifth question may be attempted from any Section.

SECTION A
Framework and Problems of Industrial Economics
Concept and organization of a firm – ownership, control and objectives of the firm; Passive and active behaviour of the firm.

Market Structure:
Sellers’ concentration; Product differentiation; Entry conditions; Economies of Scale; Market structure and innovation; Theories of industrial location – Weber and Sargent Florence; Factors affecting location.

SECTION B
Market Conduct: Product Pricing - Theories and evidence; Investment expenditure – Methods of evaluating investment expenditure; Mergers and Acquisitions; diversification.

Market Performance: Growth of the firm – Theory and evidence; Constraints on firm’s growth; Productivity, efficiency and capacity utilization – Concept and measurement including evidence from Indian Economy.

SECTION C
Indian Industrial Growth and Pattern:
Industrial Policy in India – evolution and paradigm shift; Recent trends in Indian industrial growth; MNCs, transfer of technology and issues related with TRIMS; Privatization: Forms and global and Indian evidence; Regional industrial growth and concentration in India and dispersal policy; economic concentration and remedial measures; Issues in Industrial proliferation and environmental preservation.

SECTION D
Project Appraisal:
Cost benefit analysis – Net Present Value (NPV) and internal rate of return (IRR) criteria – balancing private and social returns.

Industrial Labour:
Structure of industrial labour; Globalization and labour; Exit Policy and safety nets.
Suggested Readings:

MAEO-6 : HISTORY OF ECONOMIC THOUGHT

Time: 3 Hours

Max. Marks: 100

Instructions for the Paper Setters:
Eight questions of equal marks (specified in the syllabus) are to be set, two in each of the four Sections (A-D). Questions may be subdivided into parts (not exceeding four). Candidates are required to attempt five questions, selecting at least one question from each Section. The fifth question may be attempted from any Section.

SECTION A
Mercantilism: Its origin and content - economic ideas of Petty, Cantillon, Locke and Hume.
Physiocracy: Natural order, primacy of agriculture, social classes and circulation of wealth.

SECTION B

SECTION C
The Marginalists and Neo-Classicism: Precursors to marginalism - Gossen, Jevons, Menger and Walras; The Austrian School - Wiser and Bohm-Bawerk: Theory of capital and distribution; K. Wicksell and the Swedish School; Wicksteed on laws of distribution; The American Contribution: Clark, Walker and Schumpeter on the theory of growth and business cycles; Marshallian Economics: Price determination and elasticites, consumer surplus, costs and economies, rent and profit.

SECTION D
Keynes and Post Keynesian developments: Marginal efficiency of capital and investment, theory of wages and interest, underemployment equilibrium and the role of fiscal policy, theory of multiplier and business cycles; Post Keynesian developments in consumption function, quantity theory of money, inflation, business cycles and economic growth.

Suggested Readings:

MAEO-7 : ECONOMICS OF SOCIALISM

Time: 3 Hours  Max. Marks: 100

Instructions for the Paper Setters:-
Eight questions of equal marks (Specified in the syllabus) are to be set, two in each of the four Sections (A-D). Questions may be subdivided into parts (not exceeding four). Candidates are required to attempt five questions, selecting at least one question from each Section. The fifth question may be attempted from any Section.

SECTION A
Economic system; meaning and features; Distinguishing features of different economic systems- pre-capitalist, capitalism, socialism and mixed economy.

SECTION B
Marxian Theory of surplus value, crisis, breakdown and socialism, Pre-requisites, Problems and processes of socialist transformation, Economic problems of socialist economies.

SECTION C
Organizational forms of planning, indicators of planning, development priorities and resource allocations. Balance approach; inter-sectoral and inter-regional balances.

SECTION D
Unit – IV Pricing, consumption, management of industry and agriculture, International economic relations between socialist and developing economies; breakdown of socialist system.

Suggested Readings:
1. Lavinge, M., Socialist Economies of Soviet Union and Europe.
2. Lange, O., Political Economy, Vols. I and II (relevant portions).
3. Leontive, L., A Short Course of Political Economy.
MAEO-8 : ECONOMETRICS

Instructions for the Paper Setters:
Eight questions of equal marks (Specified in the syllabus) are to be set, two in each of the four Sections (A-D). Questions may be subdivided into parts (not exceeding four). Candidates are required to attempt five questions, selecting at least one question from each Section. The fifth question may be attempted from any Section.

SECTION A
Nature, meaning and scope of econometrics; Simple and general linear regression model – Assumptions, estimation (through OLS approach) and properties of estimators; Gauss-Markov’s theorem; Concepts and derivation of $R^2$ and adjusted $R^2$.

SECTION B

SECTION C
Nature, test, consequences and remedial steps of the problem of auto-correlation; Concepts of stationarity, random walk model, unit roots (Dickey-Fuller test and Augmented Dicky-Fuller test), Cointegration, Causality analysis (Granger and Sim’s test).

SECTION D
Dummy variables technique: Alternative applications – Testing structural stability of regression models, comparing two regression equations, interaction effect, seasonal analysis; dummy dependent variable technique (profit and logit analyses).

Suggested Readings:
MAEO-9 : ECONOMICS OF AGRICULTURE

Time: 3 Hours

Instructions for the Paper Setters:-
Eight questions of equal marks (Specified in the syllabus) are to be set, two in each of the four Sections (A-D). Questions may be subdivided into parts (not exceeding four). Candidates are required to attempt five questions, selecting at least one question from each Section. The fifth question may be attempted from any Section.

SECTION A
Basic Agricultural Economics – Production functions in agriculture; Input-input and product-product relationship; Inter-sectoral linkages of agriculture (Backward, forward, linkages and feed-back effect). Models of agricultural development – Lewis, FEI-Ranis, Gorgeuson’s, Mellor, Schultz and Baserp’s model.

SECTION B
Basic Inputs – Irrigation, HYV seeds, mechanization, distribution mechanism of inputs; New agricultural strategy and its impact on employment and income distribution. Food security and international trade, concept, threat, indicators and mechanism to food security. Food assistance programme (Domestic and International).

SECTION C

SECTION D
Marketing and Prices – Nature of supply and demand for agricultural products; income and price elasticity of demand and supply, agriculture marketing in India, rationale for state intervention; agricultural price policy (recent). Terms of trade between agriculture and industry. Main features of International trade in Agri-products. WTO – subsidies and Indian agriculture.

Suggested Readings:

6. Peter, Domon (1972), Land Reforms and Economic Development.
MAEO-10 : ECONOMICS OF PUBLIC ENTERPRISES

Time: 3 Hours

Instructions for the Paper Setters:-
Eight questions of equal marks (Specified in the syllabus) are to be set, two in each of the four Sections (A-D). Questions may be subdivided into parts (not exceeding four). Candidates are required to attempt five questions, selecting at least one question from each Section. The fifth question may be attempted from any Section.

SECTION A
Role of Public Sector in economic development. Objectives, scope and growth of public sector in India. Cost-benefit analysis, shadow prices, social rate of discount, practical approaches in project selection.

SECTION B

SECTION C

SECTION D
Accountability of Public Enterprises, Relationship with the government, Auditing of Public Enterprises. Role of Bureau of Public Enterprises, Special Committees in Public Enterprises.
Case study of public sector steel industry in India-growth performance, pricing and management.

Suggested Readings:
1. Institute of Public Enterprises, Pricing and Investment in Public Enterprises Lavinge, M., Socialist Economies of Soviet Union and Europe.
4. Sharma, B.S., Financial Planning in Indian Public Sector.
7. Aggarwal, G.C., Public Sector Steel Industrial in India.
MAEO-11 : COMPUTER APPLICATIONS FOR ECONOMISTS

Time: 3 Hours
Max. Marks: 100
Theory: 80
Practical: 20

Instructions for the Paper Setters:
Eight questions of equal marks (Specified in the syllabus) are to be set, two in each of the four Sections (A-D). Questions may be subdivided into parts (not exceeding four). Candidates are required to attempt five questions, selecting at least one question from each Section. The fifth question may be attempted from any Section.

SECTION A
Introduction to Computers: What is Computer and its applications?
Computer Organization: Input/output unit, memory unit, control unit.
Input Unit: (Input devices and functions: Keyboard, Joystick, Mouse, Light Pen, Magnetic Tape, Magnetic Disks, Floppy Disk, OMR (Optical Mark Reader), Optical Character Reader (OCR), Punch Cards.
Output Unit: (Output devices and functions: Visual Display Unit (Monitor), LCD and LED, Plotters, Printers, CTD.

SECTION B
Data Representation: Introduction to Number System: Binary system, Octal number system, Hexadecimal number system, Decimal number system.
Converting from one number to another number: Converting to binary from octal, converting to octal from binary, converting to decimal from binary, octal, hexadecimal, converting to binary from hexadecimal, converting to hexadecimal from binary.
Floating Point Arithmetic: Addition, Substraction, Multiplication, Division of Floating Point.

SECTION C
MS Word: Overview, Creating, Saving, Importing, Exporting and Inserting Files, Formatting pages, Paragraphs and Sections, Indents and Outdents, Creating lists and numbering, Heading, Styles, Fonts and font size, Editing, Positioning and Viewing texts, Finding and replacing text, Inserting page breaks, Page numbers, Book marks, Symbols and dates using tabs and tables, Header, footer and printing.
MS Excel: Worksheet Overview, Entering information, Worksheet Creation, Opening and Saving, Workbook, Formatting numbers and texts, Protecting cells, Producing Charts and Printing Operations.

SECTION D
Introduction to ‘C’ Language: ‘C’ character set, data types; Constants and variables, assignment statement; Expression.
Input-Output Statement: Scanf, printf, Library functions. Control structures; Decision making and Loop statements.
Use of: Arrays, String and String functions.

Suggested Readings:
2. BPB Publishers: Complete Reference M.S. Office.
5. Yashwant Kanitkar: Let us ‘C’.
MAEO-12: OPERATIONS RESEARCH

Time: 3 Hours Max. Marks: 100

Instructions for the Paper Setters:-
Eight questions of equal marks (Specified in the syllabus) are to be set, two in each of the four Sections (A-D). Questions may be subdivided into parts (not exceeding four). Candidates are required to attempt five questions, selecting at least one question from each Section. The fifth question may be attempted from any Section.

SECTION A
Definition, significance, scope and limitations of operations research.
Linear Programming: Assumptions, formulation and solution by graphic method, simplex and two phase simplex method.

SECTION B
Transportation Problems, Assignment Problems.
Game Theory: Competitive games, Pure strategy, by Dominance, Mixed strategy (2x2, mx2 and 2xm), Two persons zero sum games, ‘n’ persons zero sum games, Solution of Game problems with Linear Programming.

SECTION C
Queuing Models: Characteristics
Single channel Queuing models:
  Model I  (M/M/I) : (FCFS/∞/∞)
  Model II (M/M/I) : (SIRO/∞/∞)
  Model III (M/M/I) : (FCFS/N/∞) – (Finite Queue Length Model)
  Model IV (M/M/I) : (FCFS/n/N) - (Limited Source Model)
Inventory Model with Deterministic Demand and Probabilistic Demand.

SECTION D
Replacement models of items that deteriorate (money value constant and changes), For items that fail suddenly (Individual replacement policy and Group replacement policy) Project Scheduling by PERT and CPM.

Suggested Readings:
5. Gauss, F., Linear Programming.
Instructions for the Paper Setters:
Eight questions of equal marks (Specified in the syllabus) are to be set, two in each of the four Sections (A-D). Questions may be subdivided into parts (not exceeding four). Candidates are required to attempt five questions, selecting at least one question from each Section. The fifth question may be attempted from any Section.

SECTION A
Environment-economy-population linkage, environment as a public good, common property resources.
Environmental Economics and Ecological Economics.
Environmental benefits – use value and non-use values, methods of measurement, costs of environmental protection, environment and development trade-off, sustainable development, neo-classical and ecological views, integrated environmental and economic accounting.

SECTION B
Environmental policies, Pigouvian taxes and subsidies, marketable pollution permits, Coase theorem, environmental regulations – command and control, incentive based, promoting clean technology, energy policy.
Global issues – poverty, population and environment, global agreements, trade and environment under WTO regime.

SECTION C
Demography and its concepts, population and economic development, theories of population – Malthus, optimum theory, theory of demographic transition.
Factors affecting fertility, nuptiality-concept and analysis, mortality-concepts and factors affecting.

SECTION D
Population policy in India – shift in population control to family welfare to women empowerment, population and human development issues, new population policy, tasks before National Population Commission.

Suggested Readings:
MAEO-14 : ECONOMICS OF INFRASTRUCTURE

Time: 3 Hours

Max. Marks: 100

Instructions for the Paper Setters:
Eight questions of equal marks (Specified in the syllabus) are to be set, two in each of the four Sections (A-D). Questions may be subdivided into parts (not exceeding four). Candidates are required to attempt five questions, selecting at least one question from each Section. The fifth question may be attempted from any Section.

SECTION A
Infrastructure and economic development – Infrastructure as a public good; Social and physical infrastructure; Special characteristics of public utilities. The peak-load, Off-peak load problem, Dual principle controversy; Economies of scale of joint supply.

SECTION B

SECTION C

SECTION D
Organization and financing of supply of social services. Private vs. public sector financing; Recent debate about the fixation of prices of social services. Development of social services in the successive Indian plans. Education and economic growth. Approaches to education planning. Social demand. Rate of return and manpower balance approaches. The case for universal and free primary education; Structure of higher education and problems of its financing in India; Human resources and human capital development. The issues in education policy; Health dimensions of development; Determinants of health – poverty, malnutrition, illiteracy and lack of information; Economic dimensions of health care – Demand and supply of health care; Financing of health care and resource constraints; Inequalities in health – class and gender perspectives; Institutional issues in health care delivery.
Suggested Readings:


MAEO-15 : DISSERTATION*

Marks: 200

(* in lieu of one optional paper in M.A. Semester III and IV each.)
M.A. (ECONOMICS) (SEMESTER–II)

MAE-201: MICROECONOMICS-II

Time: 3 Hours

Max. Marks: 100

Instructions for the Paper Setters:-

Eight questions of equal marks (Specified in the syllabus) are to be set, two in each of the four Sections (A-D). Questions may be subdivided into parts (not exceeding four). Candidates are required to attempt five questions, selecting at least one question from each Section. The fifth question may be attempted from any Section.

SECTION A

Perfect Competition: Short run and long run equilibrium of the firm and industry, price and output determination, supply curve. Monopoly – short run and long run equilibrium, price discrimination, inter-temporal price discrimination and peak-load pricing, monopoly control and regulation; Monopolistic competition – General and Chamberlin approaches to equilibrium, equilibrium of the firm and group with product differentiation and selling costs, excess capacity under monopolist competition, criticism of monopolistic competition.

SECTION B

Oligopoly – Non-collusive (Cournot, Bertrand, Edgeworth, Chamberlin, Kinked demand curve and Stackelberg’s solution) and collusive (Cartels and Mergers, price leadership and basing point price system) models; Price and output determination under monopsony and bilateral monopoly.

SECTION C

Baumol’s sales revenue maximization model; Williamson’s model of managerial discretion; Marris model of managerial enterprise; Full cost pricing rule, limit pricing theory. Game theory and competitive strategy : dominant strategies and nash equilibrium, repeated games, threats, commitments and credibility.

Neo-classical approach – Marginal productivity theory; Modern Theory of distribution; technical progress and factor shares.

SECTION D

Pigovian welfare economics; Measurement of social welfare, Pareto optimal conditions; Perfect competition and pareto optimality; Compensation principle; Social welfare function : Burgeson’s criterion, grand utility possibility frontier and welfare function; market failure, externalities and property rights, public goods, incomplete information; Theory of Second Best, Arrow’s impossibility theorem; Partial and General Equilibrium, equity-efficiency trade off; existence, stability and uniqueness of equilibrium and general equilibrium.

Suggested Readings:

MAE-202 : MACROECONOMICS-II

Time: 3 Hours
Max. Marks: 100

Instructions for the Paper Setters:-
Eight questions of equal marks (Specified in the syllabus) are to be set, two in each of the four Sections (A-D). Questions may be subdivided into parts (not exceeding four). Candidates are required to attempt five questions, selecting at least one question from each Section. The fifth question may be attempted from any Section.

SECTION A

SECTION B
Theory of Inflation: Classical, Keynesian and Monetarist approaches; Structuralist theory of inflation; Philips curve analysis – Short run and long run Philips curve; Natural Rate of Unemployment hypothesis; Tobin’s modified Philips curve; Adaptive expectations and rational expectations; Policies to control inflation.

SECTION C
Business Cycles: Theories of Schumpeter, Kaldor, Samuelson, Hicks and Goodwin’s model; Control of business cycles.

SECTION D
Macroeconomics in an Open Economy: Mundell–Fleming model–Asset markets. Monetary approach to balance of payments.
Recent Developments in Macroeconomics: The New classical critique of micro foundations, the New classical approaches; Policy implications of New classical approach; New Keynesian Approach.

Suggested Readings:
M.A. (ECONOMICS) (SEMESTER–II)

MAE-203 : QUANTITATIVE METHODS FOR ECONOMISTS-II

Time: 3 Hours Max. Marks: 100

Instructions for the Paper Setters:-
Eight questions of equal marks (Specified in the syllabus) are to be set, two in each of the four Sections (A-D). Questions may be subdivided into parts (not exceeding four). Candidates are required to attempt five questions, selecting at least one question from each Section. The fifth question may be attempted from any Section.

SECTION A
Meaning, assumptions and limitations of a simple correlation and regression analysis; Pearson’s product moment and Spearman’s rank correlation coefficients and their properties; Concept of the least–square technique and the lines of regression; Standard error of estimate; Partial and multiple correlation and regression (applications only).

SECTION B
Analysis of Time Series : Definition, components of time series, measurement of trend by different methods, measurement of seasonal variations. Methods of estimation of non–linear equations – parabolic, exponential, geometric, modified exponential, Gompertz and logistic, Growth rate and simple properties of time path of continuous variables.

SECTION C
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 independence; Baye’s theorem and its applications; Elementary concept of random variable; Probability, mass and density functions; Expectation, moments and moment generating functions; Properties (without derivations) of binomial, Poisson and normal distributions.

SECTION D
Basic concepts of sampling – random and non–random sampling; Simple random; Stratified random and p.p.s. sampling; Concept of an estimator and its sampling distribution; Concepts of statistical hypotheses – Null and alternative : level of significance; Type–1 and Type–2 errors; Confidence interval; Hypothesis testing in respect of means and proportions.

Suggested Readings:
MAE-301 : ECONOMICS OF DEVELOPMENT

Time: 3 Hours  Max. Marks: 100

Instructions for the Paper Setters:-
Eight questions of equal marks (Specified in the syllabus) are to be set, two in each of the four Sections (A-D). Questions may be subdivided into parts (not exceeding four). Candidates are required to attempt five questions, selecting at least one question from each Section. The fifth question may be attempted from any Section.

SECTION-A
Economic growth and economic development – Meaning and measurement. Concept of sustainable development. Human Development Index and Physical Quality of Life Index (PQLI). Obstacles to economic development, Sources of economic growth, Growth and Income Distribution : The Kuznets Hypothesis.
Growth models – Harrod-Domar, Solow, Meade, Joan Robinson, Kaldor.

SECTION-B
Theories of Development – Classical, Marxian, Schumpeter, Stage theory.
Approaches to Development – Myrdals theory of circular causation, Social Dualism, Technological Dualism, Models of Dualistic growth (Lewis, Ranis and Fei and Jorgenson models).

SECTION-C
Strategies of development: Big push, Balanced growth, Unbalanced growth, Critical minimum efforts thesis, Low level equilibrium trap, Dependency theory.
Agriculture and economic development.

SECTION-D
Trade and development, two-gap theory, import substitution vs. export-led strategies. Role of capital formation, internal and external sources of capital formation, human capital formation and economic development, Role of foreign investment in economic development.

Suggested Readings:
M.A. (ECONOMICS) (SEMESTER–III)

MAE-302 : INTERNATIONAL ECONOMICS-I

Time: 3 Hours

Max. Marks: 100

Instructions for the Paper Setters:-

Eight questions of equal marks (Specified in the syllabus) are to be set, two in each of the four Sections (A–D). Questions may be subdivided into parts (not exceeding four). Candidates are required to attempt five questions, selecting at least one question from each Section. The fifth question may be attempted from any Section.

SECTION-A

The pure theory of international trade – theories of absolute advantage, comparative advantage and opportunity costs, modern theory of international trade; Theorem of factor price equalization; Empirical testing of theory of absolute cost and comparative cost – Heckscher-Ohlin theory of trade.

SECTION-B

Kravis and Linder theory of trade, Role of dynamic factors, i.e. changes in tastes, technology and factor endowments in explaining the emergence of trade; The Rybnzynski theorem – concept and policy implications of immiserizing growth; Causes of emergence and measurement of intra-industry trade and its impact of developing economies.

SECTION-C

Measurements of gains from trade and their distribution; Concepts of terms of trade, their uses and limitations; Hypothesis of secular deterioration of terms of trade, its empirical relevance and policy implications for less developed countries; Trade as an engine of economic growth.

SECTION-D

The theory of interventions (Tariffs, Quotas and non-tariff barriers); Economic effects of tariffs and quotas on national income, output, employment, terms of trade, income distribution, balance of payments on trade partners both in partial and general equilibrium analysis. The political economy of non-tariff barriers and their implications; nominal, effective and optimum rates of tariffs – their measurement, impact and welfare implications.
Suggested Readings:
MAE-303 : INDIAN ECONOMY

Time: 3 Hours
Max. Marks: 100

Instructions for the Paper Setters:
Eight questions of equal marks (Specified in the syllabus) are to be set, two in each of the four Sections (A-D). Questions may be subdivided into parts (not exceeding four). Candidates are required to attempt five questions, selecting at least one question from each Section. The fifth question may be attempted from any Section.

SECTION-A

Indian Economy
National Income of India: Growth, Structure, Inter-state variations; limitations of national income estimates.
Indian Planning: Change in basic strategy, objectives; Decentralized planning: Need and objectives, achievements and appraisal of 11th and 12th Five Year Plan.

SECTION-B


SECTION-C

Agriculture: Production and productivity trends, Second Green Revolution, Role of institutional and technological factors, Agriculture Price Policy, Food Security and sustainable agricultural development.

SECTION-D

Industrial sector: Policy, pattern and performance, Public vs Private Sector, Public-private partnership.
Foreign sector: Composition, growth, pattern and trends, Role of MNCs, Balance of payments, W.T.O. and India.

Suggested Readings:

MAE-401 : ECONOMICS OF PLANNING

Time: 3 Hours
Max. Marks: 100

Instructions for the Paper Setters:-
Eight questions of equal marks (Specified in the syllabus) are to be set, two in each of the four Sections (A-D). Questions may be subdivided into parts (not exceeding four). Candidates are required to attempt five questions, selecting at least one question from each Section. The fifth question may be attempted from any Section.

SECTION-A
Economic Planning : Meaning, objectives, rationale and types of planning; Different planning systems. Requisites for successful planning. Planning in third world countries in the context of Globalisation and Liberalisation.

SECTION-B
Investment criteria: Rationale and types. Choice of Technique: Sen-Dobb Thesis, labour intensive vs. capital intensive technology; Choice of technique in underdeveloped countries and appropriate technique for UDC’s. International transfer of technology- channels, importance and problems in the transfer of technology.

SECTION-C
Project evaluation: Meaning, origin, rationale, project planning and commercial profitability criteria; social cost benefit analysis-meaning and technique; Shadow Prices: Meaning, importance and methods to compute shadow prices, Little Mirrrless and UNDIO approaches - A comparison.

SECTION-D
Indian plan models: Harrod-Domar, Mahalanobis, Frisch and Sandee, Manne and Rudra, CELP model and its applications. Indian Planning: Objectives, strategy and evaluation of Indian planning. Resource mobilization for Indian plans.

Suggested Readings:
1. Griffin, K.D. and Enos, J. L., Planning and Development.
3. Rudra, Ashok, Indian Plan Models.
4. Todaro, P., Development Planning : Models & Methods
7. Bhathacharya, D., India’s Five Year Plans: Economic Analysis.
MAE-402 : INTERNATIONAL ECONOMICS-II

Time: 3 Hours

Instructions for the Paper Setters:-
Eight questions of equal marks (Specified in the syllabus) are to be set, two in each of the four Sections (A-D). Questions may be subdivided into parts (not exceeding four). Candidates are required to attempt five questions, selecting at least one question from each Section. The fifth question may be attempted from any Section.

SECTION-A
Meaning and components of balance of payments; Equilibrium and disequilibrium in the balance of payments; The process of adjustment under systems of gold standard, fixed exchange rates and flexible exchange rates; Expenditure-reducing and expenditure-switching policies and direct controls for adjustment.

SECTION-B
Exchange rate; meaning and theories for the determination of exchange rate (PPP, monetary, Portfolio, and balance of payments). A critical review of the monetary approach to the theory of balance of payments adjustment. Relative merits and demerits of fixed and flexible exchange rates in the context of growth and development in developing countries.

SECTION-C
Forms of economic cooperation; Reforms for the emergence of trading blocs at the global level; Static and Dynamic effects of a custom union and free trade area; Rationale and economic progress of SAARC/SAPTA and ASEAN regions. Problems and prospects of forming a custom union in the Asian Regionalism (EU, NAFTA); Multilateralism and WTO.

SECTION-D
Emerging International Monetary System with special reference of Post-Maastrishit developments and developing countries; Reform of the International Monetary System, India and developing countries; Portfolio and Foreign Direct Investments; International Debt Crisis. International trade and financial institutions – Functions of WTO (TRIPS, TRIMS), UNCTAD/IMF: Need, adequacy and determinants of international reserves; Conditionality clause of IMF.
Suggested Readings:

MAE-403 : PUNJAB ECONOMY

Time: 3 Hours

Instructions for the Paper Setters:-
Eight questions of equal marks (Specified in the syllabus) are to be set, two in each of the four
Sections (A-D). Questions may be subdivided into parts (not exceeding four). Candidates are
required to attempt five questions, selecting at least one question from each Section. The fifth
question may be attempted from any Section.

SECTION-A

Introduction to Punjab Economy
Structure of the economy; Population problem, Unemployment, Physical infrastructure : Power, irrigation, transport and urbanization.

SECTION-B

Agriculture: Output and cropping pattern, Green Revolution, its impact and implications. Agricultural Diversification; Need, potential and constraints; Rural credit, Agricultural Marketing; Contract farming : Need, growth and problems.

SECTION-C

Industrial Development: Pattern, performance and potential, State and Industrial development; Recent development in Industrial Policy in Punjab; Disinvestments in industries, Impact of W.T.O. on Punjab’s Industrial Development.

SECTION-D

Financial relations between centre and states, Recommendations of the latest Finance Commission; Pattern of devolution of resources from Centre to Punjab. State Finances : Emerging pattern of revenue and expenditure in Punjab, Fiscal crisis in Punjab : Causes, impact, solutions.
Suggested Readings: