FACULTY OF ECONOMICS & BUSINESS

SYLLABUS

FOR

INTERDISCIPLINARY COURSE IN ECONOMICS (UG)

(UNDER CREDIT BASED EVALUATION AND GRADING SYSTEM)

EXAMINATIONS: 2019-20

GURU NANAK DEV UNIVERSITY
AMRITSAR

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SCHEME OF COURSES:

(ODD SEMESTER)

<table>
<thead>
<tr>
<th>Paper</th>
<th>Title</th>
<th>Credits</th>
<th>Mid Sem. Marks</th>
<th>End Sem. Marks</th>
<th>Total Marks</th>
</tr>
</thead>
<tbody>
<tr>
<td>EOL003</td>
<td>Economic Theory – I (Microeconomics) (Odd Semester)</td>
<td>4-0-0</td>
<td>20</td>
<td>80</td>
<td>100</td>
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<tr>
<td>EOL004</td>
<td>Indian Economy – I (Odd Semester)</td>
<td>4-0-0</td>
<td>20</td>
<td>80</td>
<td>100</td>
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<tr>
<td>EOL005</td>
<td>Economic Theory – II (Macroeconomics) (Even Semester)</td>
<td>4-0-0</td>
<td>20</td>
<td>60</td>
<td>100</td>
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<tr>
<td>EOL006</td>
<td>Indian Economic Problems-II (Even Semester)</td>
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INTERDISCIPLINARY COURSE IN ECONOMICS (UG)
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(ODD SEMESTER)
EOL003 : ECONOMIC THEORY-I (MICROECONOMICS)

Time: 3 Hrs.                                      Credits: 4–0–0
total marks: 100  
Mid Semester Marks: 20
End Semester Marks 80

Mid Semester Examination: 20% weightage
End Semester Examination: 80% weightage

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 problems of an economy. Demand and Supply functions – an introductory view of price
formation. Role of time element in price formation. Price, income and cross elasticities of demand; Elasticity of substitution.

SECTION B
Theories of demand; The classical utility approach, indifference curves approach, the revealed
preference approach, consumer’s surplus (elementary view).

Theory of production: Production function, isoquants, returns to a factor and returns to scale.

SECTION C
Theory of costs: Short and long period costs, traditional and modern theories of costs, derivation
of cost function from production function.
Revenue analysis: Revenue curves and their mutual relationship.

SECTION D
Equilibrium of the firm and industry. Perfect competition: assumptions, equilibrium of firm and
industry. 
Monopoly: Assumptions, equilibrium, Monopolistic competition: assumptions, equilibrium,
oligopoly (elementary view).

Recommended Readings:
5. Ferguson : Microeconomics.
INTERDISCIPLINARY COURSE IN ECONOMICS (UG)
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(EVEN SEMESTER)

EOL005: ECONOMIC THEORY – II (MACROECONOMICS)

Time: 3 Hrs.                                                                                                             Credits: 4–0–0
Total Marks: 100                                                                                                           Mid Semester Marks: 20
End Semester Marks 80

Mid Semester Examination: 20% weightage
End Semester Examination: 80% weightage

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 concepts: Real and nominal; Induced and autonomous; Lagged and unlagged.
National income: Definition: Productive vs. Non-productive, intermediate and final output; concepts of national income.
GNP and welfare; Inter temporal and international comparisons of National income.

SECTION B

Classical view: Labour market; Product market and Money market.
Say’s Law of Markets (Barter and a monetized economy).
Keynesian Economics: Keynes consumption function; saving and investment functions.
Determination of income, employment and output in Keynesian frame work in a two sector, three sector and four sector economy.

SECTION C

Money – its meaning and functions. Supply of money. Credit creation by commercial banking system (single and multiple banking system). Central bank and its functions.
Inflation: Causes, consequences and cures.
SECTION D

Economic Growth: Meaning and measurement.
Trade cycles: Features.
Macroeconomic Policy: Monetary policy – instruments, objectives and effectiveness in recession and boon, Fiscal policy.

Recommended Readings:

2. Studenski, P.A The Income of Nations, Part – 2, Theory and Methodology: Ch. 11, 16, Sections.
7. Ackley, G. Macroeconomic Theory, Macmillan, New York, 1969 (Chapters 1, 2, 6)
INTERDISCIPLINARY COURSE IN ECONOMICS (UG)
(UNDER CREDIT BASED EVALUATION AND GRADING SYSTEM)

(ODD SEMESTER)
EOL004: INDIAN ECONOMY – I

Time: 3 Hrs. Credits: 4–0–0
Total Marks: 100
Mid Semester Marks: 20
End Semester Marks 80

Mid Semester Examination: 20% weightage
End Semester Examination: 80% weightage

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
Structure of Indian Economy: The population problem and economic development, occupational distribution of labour force: Poverty in India, Problem of unemployment and rising prices.

SECTION B
Planning in India: Current Five Year Plan – Objectives, allocation and targets; New economic reforms – Liberalization, privatization and globalization; Rationale behind economic reforms.

SECTION C
Basic Issues in Agriculture: Trends in agricultural production and productivity; Factors determining productivity; New agricultural strategy and Green Revolution; Agricultural price policy.

SECTION D

Recommended Readings:
INTERDISCIPLINARY COURSE IN ECONOMICS (UG)
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(EVEN SEMESTER)
EOL006 : INDIAN ECONOMIC PROBLEMS-II

Time: 3 Hrs. 
Credits: 4–0–0
Total Marks: 100
Mid Semester Marks: 20
End Semester Marks 80

Mid Semester Examination: 20% weightage
End Semester Examination: 80% weightage

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
Agrarian Distress: Causes, Consequences and Cure. Food security, Sustainable agricultural development.

SECTION B
National Income of India, Role of infrastructure, Energy and Power; Transport; Urban infrastructure, small scale and cottage industries.

SECTION C
India’s Foreign Trade: features, composition and direction.

SECTION D
India’s balance of payments, Recent trade policy, Multinational Corporation (MNCs), WTO and India (Elementary view).

Recommended Readings:
6. Dholkia, B.H., Sources of Economic Growth.