

B.A. (HONS.) ECONOMICS SYLLABUS

CHOICE BASED CREDIT SYSTEM (CBCS)

S.C.S. (A) College, Puri



Academic Session

2015-18

CBCS - B.A. Economics (Hons.) Syllabus

SEMESTER – I
Core Course – I
INTRODUCTORY MICROECONOMICS

Time: 3 Hours
F. M.: 100 Marks

End Sem: 80Marks
Mid Sem: 20Marks

Module I: Exploring the subject matter of Economics

Why study economics? Meaning, Scope and methodology of economics, Micro & Macro economics, positive and normative economics, The economic problem: scarcity and choice; the question of what to produce, how to produce and how to distribute output; working of price mechanism in a free market-economy, in a socialist economy and mixed economy, Production possibility curve, Marginal utility analysis – the law of diminishing marginal utility, equi-marginal utility, Critical analysis of MU analysis.

Module II: Supply and Demand: How Markets Work, Markets and Welfare

Determinants of individual demand/supply; demand & supply schedule and demand/supply curve; individual versus market demand/supply curve; shifts of demand/supply curve. Equilibrium between demand and supply, Elasticity of demand, its measurements, determinants of elasticity of demand, importance of elasticity of demand, consumer surplus, the Marshallian & Hicksian approach, Average revenue, marginal revenue and elasticity of demand.

Module III: The Households

Meaning and properties of indifference curve – indifference map, consumer's equilibrium, ICC, Engel's curve, P.C.C Separation of Price effect into substitution and income effect – (Hicksian & Slutsky approach), Superiority of indifference curve approach over Marshallian utility analysis.

Module IV: The Firm and Market Structures

Cost of production & cost curve (short-run and long-run), Equilibrium of firm and industry under perfect competition & under monopoly; Price determination under perfect competition & monopoly, Imperfect competition – monopolistic competition & its price determination Oligopoly – meaning, features & kinked demand curve hypothesis.

Module V: Input Markets

Marginal productivity theory as a general theory of distribution, Theories of rent, Theories of interest – the classical theory and the keynsian theory; Welfare Economics – classical welfare economics, marshall and Pigou, Pareto criteria.

Reading Books:

1. Koutsoyiannis – A Modern Micro-Economics.
2. Stonier & Hague – A Text Book of Economic Theory.
3. Watson – Price Theory
4. H.L. Ahuja – Advance Micro-economics.

SEMESTER – I
Core Course – II
MATHEMATICAL METHODS FOR ECONOMICS – I

Time: 3 Hours
F. M.: 100 Marks

End Sem: 80Marks
Mid Sem: 20Marks

Module I: Preliminaries

Sets and set operations; relations; functions and their properties; Number systems

Module II: Functions of one real variable

Types of functions- constant, polynomial, rational, exponential, logarithmic; Graphs and graphs of functions; Limit and continuity of functions; Limit theorems

Module III: Derivative of a function

Rules of differentiation for a function of one and more than one variable; Application- Relationship between total, average and marginal cost & revenue functions

Module IV: Functions of two or more independent variables

Partial differentiation techniques; Linear differential equation of first order, linear differential of second order with constant coefficient

Module V: Matrices and Determinants

Matrices: concept, types, matrix algebra, transpose, inverse matrix, rank; Determinants: concept, properties, solving problems using properties of determinants, solution to a system of equations - Cramer's rule and matrix inversion method.

Readings/ Reference:

1. R.G.D. Allen: Mathematical Analysis for Economists.
2. A. C. Chiari: Fundamental methods of Mathematical Economics.

SEMESTER - II
Core Course – III
INTRODUCTORY MACROECONOMICS

Time: 3 Hours
F. M.: 100 Marks

End Sem: 80Marks
Mid Sem: 20Marks

Module I: Basic Concepts

Meaning of Macro economics, Difference between Macro & Micro economics, National income – GDP, NDP, GNP, NNP – National Income at FC & Market Price; National income at current & constant price; Per capita income, Personal Income, Disposable Personal income, Real & Nominal GDP, National income and national welfare.

Module II: Measurement of Macroeconomic Variables

Output, Income and Expenditure Approaches; National Income Identities in simple 2 - sector economy and with government and foreign trade sector; Circular flow of income in two, three and four sector economies, Difficulties of estimating national income, Basic postulates of classical macro economics.

Module III: Money

Evolution and Functions of Money, Quantity Theory of Money – Cash Transactions, Cash Balances approach and Keynesian Approaches, Value of Money and Index Number of Prices – Meaning & its measurement.

Module IV: Inflation, Deflation, Depression and Stagflation

Inflation – Meaning & Its Causes, effects of inflation, Anti-inflation policies, Deflation – meaning, causes, measures to control deflation, Keynesian and Modern Theories of inflation; Meaning of Stagflation; Inflation vs. Deflation.

Module V: Determination of National Income

The Classical Approach - Say's Law, Theory of Income Determination with and without saving and Investment; The Keynesian Approach – Aggregate Demand and Aggregate Supply analysis, Effective Demand; Consumption function, saving; Investment function, Keynesian income Determination in a two - Sector economy, the simple investment Multiplier;

Readings:

1. Edward Shapiro – Macro Economic analysis.
2. Ackley G – Macro Economics Theory & Policy.
3. Dillard – The Economics of J. M. Keynes.

SEMESTER - II
Core Course – IV

MATHEMATICAL METHODS FOR ECONOMICS – II

Time: 3 Hours
F. M.: 100 Marks

End Sem: 80Marks
Mid Sem: 20Marks

Module I: Linear models:

Input- Output analysis – Assumptions – Transpose matrix, simple, open and closed input output models.

Module II: Second and higher order derivatives:

Technique of higher order differentiation; Interpretation of second derivative; Second order derivative and curvature of a function; Concavity and convexity of functions; Points of inflexion

Module III: Differentials and total derivatives:

Differentials and derivatives; Total differentials; Rules of differentials; Total derivatives; Derivatives of implicit functions

Module IV: Single and multivariable optimisation:

Optimum values and extreme values; Relative maximum and minimum; Necessary versus sufficient conditions - First and Second derivative tests; Economic applications thereof, First and second order condition for extremum of multivariable functions; Convex functions and convex sets

Module V: Optimisation with Equality Constraints:

Effects of a constraint; Finding stationary value – Lagrange-Multiplier method (Two variable single constraint case only): First and second order condition.

Readings:

1. K. Sydsaeter and P. J. Hammond (2002): *Mathematics for Economic Analysis*.
2. R.G.D. Allen – *Mathematical Analysis for Economics*.

B.Com Honours

SEMESTER – I

Paper – I

INTRODUCTORY MICROECONOMICS

Time: 3 Hours

F. M.: 100 Marks

End Sem: 80Marks

Mid Sem: 20Marks

Unit - I: Demand and Consumer Behaviour

Demand meaning and determinants of demand, Law of Demand, Elasticity of Demand, Price, income and cross elasticity of demand, Measurement of Price elasticity of demand, Indifference curve – its meaning & features, Consumer's equilibrium, Price consumption curve, Engel's curve, price, income & Substitution effects.

Unit - II: Production and Cost

Meaning of Production function: Production function in the Short-run-Isoquants & its properties – production function in the long-run – Returns to Scale – Optimum combination of factors – Producer's equilibrium: Cost of Production – Short-run and Long-run cost & cost curves

Unit - III: Perfect Competition

Meaning and features, Equilibrium of firm and industry in the short & long-run, Industry's supply curve importance of time element in determination of value under perfect competition.

Unit - IV: Monopoly

Monopoly – Meaning & features; short-run and long-run equilibrium of monopoly firms, Comparison of Monopoly price output with perfect competitive price & output; Measurement of Monopoly Power.

Unit - V: Imperfect Competition

Monopolistic competition and Oligopoly: Monopolistic competition, Price and output determination in the short & long-run, Oligopoly – Meaning & Features; Cournot's Model, Kinked demand curve hypothesis comparison of price-output of monopolistic competition with that under perfect competition.

Suggested Readings:

1. Bilas: Microeconomics Theory
2. Amit Sachdeva: Microeconomics Theory
3. Mansingh P.K: Business Economics
4. Chopra: Business Economics

GENERIC ELECTIVE
SEMESTER – I
GE – I
Elective – A1
INDIAN ECONOMY – I

Time: 3 Hours
F. M.: 100 Marks

End Sem: 80Marks
Mid Sem: 20Marks

UNIT – I Introduction to Indian Economy

Structure of the Indian Economy: Basic features of Indian Economy, Broad demographic features, population size and growth rates, Sex composition, rural-urban migration, occupational distribution, causes and effects of over population, population policy.

UNIT – II Indian Agriculture

Nature and importance of agriculture in Indian economy and its features, causes of low agricultural productivity, factors determining productivity, Land Reform, New agricultural strategy and Green Revolution, Sources of agricultural credit, problem of agricultural marketing.

UNIT – III Industrial Development in India

Linkage between industry and Agriculture, small scale and cottage industries, their importance and problems, sources of industrial finance, rationale behind rural industrialization, problems and prospects rural industries, salient features of industrial Policy of 1948, 1956 and 1991.

UNIT – IV Service Sector in India

Growth and contribution to GDP; Composition and relative importance of service sector; Factors determining growth of the sector; ICT and IT-Spread and policy; Sustainability of services led growth.

UNIT – V Current Challenges facing Indian Economy

Unemployment – its causes, types, unemployment removal measures, food security and public distribution system.

Books Recommended:

1. Uma Kapila (Ed) Indian Economy since Independence, Academic Foundation, New Delhi
2. Mishra, S. K. and Puri V. K. Indian Economy – Its Development Experience, Himalaya Publishing House, Mumbai
3. Dutta R and Sundharam K.P.M: Indian Economy, S. Chand & Company Ltd, New Delhi.

SEMESTER - II
GE – II
Elective – A2
INDIAN ECONOMY – II

Time: 3 Hours
F. M.: 100 Marks

End Sem: 80Marks
Mid Sem: 20Marks

UNIT – I Economic Development and Economic Growth

Determinates of economic development, obstacles to economic development in India, causes of low capital formation in India, measures to raise the rate of capital formation

UNIT – II Financial Market

Functions of commercial banks and co-operative banks; Central Banks (RBI) in India, Nationalization of banks, need for rural banking, functions, problems, prospects of development banks in India.

UNIT – III Sources of revenue of Government of India

Basic features of Indian Tax system, Direct and Indirect tax, their merits and demerits, Finance Commission, its functions, Devolution of resources between centre and state

UNIT – IV External Sector

Role of foreign trade, composition and direction of foreign trade in India since independence; causes of balance of payments crisis; Role of deficit financing; foreign capital; Foreign aid in India's economic development

UNIT – V Current challenges facing Indian Economy

Poverty – its causes, poverty alleviation programmes; Rural exodus; urbanization; Regional disparity; Environmental degradation; Economic reforms since 1991 – privatization, liberalization and globalization.

Books Recommended:

1. Kapila U, Indian Economy since Independence, Academic Foundation, New Delhi
2. Mishra, S.K. and Puri V.K Indian Economy – Its Development Experience: Himalaya Publishing House, Mumbai
3. Acchrya, S & Mohan R (Eds) 2010 India's Economy: Performance and Challenges, Oxford University Press, New Delhi.

SEMESTER – III
Core Course – V
MICRO ECONOMICS – I

Time: 3 Hours
F. M.: 100 Marks

End Sem: 80Marks
Mid Sem: 20Marks

Module I: Consumer Theory-I

Economic Models: Theoretical Model, Verification of Economic Model, need for the study of Economic Model, General Feature of Economic Model, Preferences and Utility - Axioms of Rational Choice, Utility, Trades and Substitutions, The Mathematics of Indifference Curves, Utility Maximization and Choice with Two Goods and more than two goods cases, Indirect Utility Function, Expenditure Function and its properties.

Module II: Consumer Theory-II

Income and Substitution Effects, Derivation of Demand Curves in IC analysis, Demand Functions with changes in Income and changes in a Good's Price, Hicksian Compensated Demand Curves, Demand Relationship among Goods - Substitutes and Complements (Hicksian) Composite Commodities cases, Hicks rehabilitation of consumers surplus.

Module III: Production Theory

Isoquant, Rate of Technical Substitution, Properties of Isoquants, Isoquants Map, Iso-Cost line and producers equilibrium, Production with One Variable Input and with Two-Variable Inputs, varying Returns to Scale, Production Functions - Linear, Fixed Proportions, Cobb-Douglas, CES production function and Technical Progress.

Module IV: Cost Functions

Definition of Costs, Derivation of Cost Functions and their Properties, Shift in Cost Curves - Short-Run and Long-Run cost curves, Causes of flatter 'U' shaped LAC & L-shaped LAC. Multi-product firm and optimum choice of output; Economics of Scale and Economies of Scope.

Module V: Profit Maximization

The Nature and Behaviour of Firms - Profit Maximization, Marginal Revenue – Marginal Cost equalisation, Baumol's profit maximisation principle, Short-Run Supply by Price-Taking Firms, Profit functions and properties, theories of profit - Dynamic theory, Innovation theory, Risk and Uncertainty theory of profit.

Suggested Readings:

1. C. Snyder and W. Nicholson (2012): Microeconomic Theory.
2. A Text Book of Economic Theory – Stonier & Hague.
3. Micro Economic Analysis – R. R. Barthal.
4. Principles of Micro Economics – H. L. Ahuja.
5. A Modern Micro Economics – Kautsoyianis.
6. Economic Theory and Operational Analysis – W. J. Baumol.
7. Micro Economic Theory – Dominic Salvatore.

SEMESTER – III
Core Course – VI
MACRO ECONOMICS – I

Time: 3 Hours
F. M.: 100 Marks

End Sem: 80Marks
Mid Sem: 20Marks

Module I: Consumption Function

Income - Consumption Relationship – Keynes's Fundamental Psychological Law of Consumption; Propensity to consume – APC, MPC and their behaviour, Factors influencing Consumption Function; implications of Keynes's Consumption Function, Measures to raise propensity to consume, Post-Keynesian Income consumption relationship - Absolute, Relative and Permanent income Hypotheses.

Module II: Investment Function

Types of Investment - Autonomous and Induced Investment, Residential Investment and Inventory Investment, Determinants of Business Fixed Investment, Decision to Invest - MEC, and Market rate of interest, Calculation of MEC, Expectations (Short run & Long run) and MEC, Measures to Stimulate MEC; MEI and Investment decision.

Module III: Demand for and Supply of Money

Demand for Money in Classical and Neoclassical analysis; Keynes Concept of Demand for money - transactions, precautionary and speculative motives for liquidity preference; Liquidity trap and its implications; supply of money in classical, neoclassical and Keynesian analysis; Measures of money supply in India, concept of money multiplier.

Module IV: Aggregate Demand and Aggregate Supply

Equilibrium in the product market and money market - Derivation of IS and LM curves; their Interaction and equilibrium rate of interest; Derivation of Aggregate Demand and Aggregate supply curves in IS - LM framework, causes and impact of shifting of IS and LM curves on Equilibrium level of employment, output and prices; Effectiveness of monetary policy in controlling rate of interest and volume of investment.

Module V: Inflation, Unemployment, Expectations and Trade Cycles

Inflation – Unemployment Trade off and the Phillips Curve – Short run and Long run Analysis; Adaptive and Rational Expectations and their implications, Ineffectiveness and Challenges; Theories of Trade Cycles - Hawtrey's Monetary Theory, Hayek's Over-investment Theory and Keynes' theory of Trade Cycles.

Readings:

1. Marco Economic Analysis – Edward Shappiro.
2. Marco Economic Theory – M. C. Vaish.
3. Marco Economics – Sunil Bhaduri.
4. Marco Economics – M. L. Jhingan.
5. Keynes & Post Keynesian Economics – R. D. Gupta and A. S. Rana.

SEMESTER – III
Core Course – VII
STATISTICAL METHODS FOR ECONOMICS

Time: 3 Hours
F. M.: 100 Marks

End Sem: 80Marks
Mid Sem: 20Marks

Module I: Data Collection, Measures of Central Tendency and Dispersion

Basic concepts: population and sample, parameter and statistic; Data Collection - primary and secondary data; methods of collection of primary data; Presentation of Data: frequency distribution; Cumulative Frequency; graphic and diagrammatic representation of data; Measures of Central Tendency:- Mean, Median, Mode, Geometric Mean, Harmonic Mean - their relative merits and demerits; Measures of Dispersion:- absolute and relative - range, quartile deviation, mean deviation, standard deviation, coefficient of variation; their merits and demerits; Measures of Skewness and Kurtosis.

Module II: Correlation Analysis

Correlation: Scatter diagram, sample correlation coefficient - Karl Pearson's correlation coefficient and its properties, probable error of correlation coefficient, Spearman's rank correlation coefficient, partial and multiple correlations.

Module III: Regression Analysis

Two variable linear regression analysis - estimation of regression lines (Least square method) and regression coefficients - their interpretation and properties, standard error of estimate.

Module IV: Time Series and Index Number

Time Series: definition and components, measurement of trend - free hand method, methods of semi-average, moving average and method of least squares (equations of first and second degree only), measurement of seasonal components; Index Numbers: Concept, price relative, quantity relative and value relative; Laspeyer's and Fisher's index, family budget method, problems in construction and limitations of index numbers, test for ideal index number.

Module V: Probability Theory

Probability: Basic concepts, addition and multiplication rules, conditional probability; Random variables and their probability distribution; Mathematical expectations; Theoretical Distribution: normal distribution - Properties and uses, problems using area under standard normal curve.

Recommended Books:

1. Fundamentals of statistics – D. N. Ellahance.
2. Statistical Methods – S. P. Gupta.
3. Mathematical Statistics – Yale and Kendale.
4. Theory and problems of statistics – Murry R. Spiegel.
5. Fundamentals of Statistics – S. C. Gupta.

GENERIC ELECTIVE
SEMESTER – III
GE – III
Elective – B1
INDIAN ECONOMY – III

Time: 3 Hours
F. M.: 100 Marks

End Sem: 80Marks
Mid Sem: 20Marks

UNIT – I Introduction to Indian Economy

Structure of the Indian Economy: Basic features of Indian Economy, Broad demographic features, population size and growth rates, Sex composition, rural-urban migration, occupational distribution, causes and effects of over population, population policy.

UNIT – II Indian Agriculture

Nature and importance of agriculture in Indian economy and its features, causes of low agricultural productivity, factors determining productivity, Land Reform, New agricultural strategy and Green Revolution, Sources of agricultural credit, problem of agricultural marketing.

UNIT – III Industrial Development in India

Linkage between industry and Agriculture, small scale and cottage industries, their importance and problems, sources of industrial finance, rationale behind rural industrialization, problems and prospects rural industries, salient features of industrial Policy of 1948, 1956 and 1991.

UNIT – IV Service Sector in India

Growth and contribution to GDP; Composition and relative importance of service sector; Factors determining growth of the sector; ICT and IT-Spread and policy; Sustainability of services led growth.

UNIT – V Current Challenges facing Indian Economy

Unemployment – its causes, types, unemployment removal measures, food security and public distribution system.

Books Recommended:

1. Indian Economy – S. K. Mishra & V. K. Puri.
2. Indian Economy – R. Dutta & K. P. M. Sundaram.
3. Indian Economy – P. K. Dhar
4. Indian Economic Problems – A. N. Agrawal
5. Indian Economic – Alok Ghosh.

SEMESTER – IV
Core Course – VIII
MICRO ECONOMICS – II

Time: 3 Hours
F. M.: 100 Marks

End Sem: 80Marks
Mid Sem: 20Marks

Module I: The Partial Equilibrium Competitive Model

Market Demand and supply; Timing of Supply Response under competitive conditions, Pricing in the Very Short period and Short-Run Price Determination, General features of short run price, Shifts in Demand and Supply Curves – Comparative static analysis; Long run supply curve – its derivation, nature and behaviour, Long run supply elasticities and long run equilibrium, Market Price and Normal Price – comparison, producer's surplus, Economic efficiency and welfare under competitive conditions.

Module II: General Equilibrium and Welfare

Perfectly Competitive Price System – Production Possibility Frontier and Community Indifference Curves, A Graphical Model of General Equilibrium with Two Goods, General Equilibrium Model of Production and Exchange - Pareto optimality conditions, Contract Curve, Pareto optimality and Pareto superiority – A graphical analysis with Edgeworth's Box diagram.

Module III: Monopoly

Barriers to Entry, Profit Maximization and Output Choice, Supply Curve under monopoly, Monopoly and resource Allocation - Allocative inefficiency and Deadweight Loss under different cost conditions, Product Quality and Durability, Second Degree Price Discrimination through Price Schedules, sources of monopoly power, Regulation of Monopoly.

Module IV: Imperfect Competition

Oligopoly – Its features, Price and output determination under oligopoly – Cournot's solution, Tacit Collusion, Price leadership and equilibrium under Oligopoly, Chamberline's Capacity constraint under Monopolistic Competition both under individual and group equilibrium conditions, Long run decision – Investment, Entry and Exit, Strategic Entry Deterrence, Signalling, Innovation.

Module V: Labour Markets

Demand and supply of Labour – Analysis of market demand and supply of labour, Labour market equilibrium and equilibrium wage rate under perfect competition, Wage determination under Monopsony in the Labour Market, wage variation, Labour exploitation, Labour Union and collective bargaining.

Readings:

1. Advance Economic Theory – H. L. Ahuja.
2. Principles of Micro Economics – H. L. Ahuja.
3. A Text Book of Economic Theory – Stonier & Hague.

SEMESTER – IV
Core Course – IX
MACRO ECONOMICS – II

Time: 3 Hours
F. M.: 100 Marks

End Sem: 80Marks
Mid Sem: 20Marks

Module I: Financial Markets and Reforms

Financial Markets – Money Market and Capital Market; Features of an Organised and Unorganised money market; Institutions in Money market, characteristics of Indian Money Market; Banks and capital market – Adverse selection, moral hazards, Risks and supply of Credit, Determination of Bank's Assets portfolio, Major financial sector reforms in India.

Module II: Open Economy Macroeconomics

Balance of payments: Concepts – Current and Capital accounts; Equilibrium and Disequilibrium in BOP; Causes of disequilibrium and corrective measures; Determination of Foreign Exchange Rate - PPP Theory and its Implications, Fixed vs. Flexible Exchange Rates their merits and demerits; Short-run open economy Model, the basic Mundell-Fleming Model.

Module III: Modelling Economic Growth

Basic Harrod-Domar growth Model, Neo-classical growth models - Joan Robinson's growth model and the Golden age; Solow's growth Model, and growth model of Meade.

Module IV: Macroeconomic Policy

The Goals of Macroeconomic Policy and of Policy Makers, The Budget and the macroeconomic goals – Concept of budget, Revenue and Fiscal deficit, Fiscal policy – Its objectives & limitations; budget as an Automatic Fiscal Stabilisers, Doctrine of Balanced Budget and Keynesian Objections - Argument in favour of deficit budgeting; The Crowding – Out Hypothesis (Meaning, Scope and Objectives) and Instruments of Monetary Policy, Transmission Mechanism of Monetary Policy.

Module V: Schools of Macroeconomic Thought and the Fundamentals of Macroeconomic Theory and Policy

Classical, Neoclassical, Monetarists and Keynesian Macroeconomic thought; Keynes vs. the Classicals – Aggregate Demand and Aggregate Supply; Underemployment Equilibrium and Wage Price Flexibility, Friedman's Quantity Theory of money, Monetarists vs. Keynesians; Macroeconomic policy of New Keynesians with reference to Real Business Cycle Models.

Readings:

1. Macro Economic analysis – Edward Shappiro
2. A Guide to Keynes – A. H. Hansen.
3. Monetary theory and Public Policy – K. K. Kurihara
4. Money Banking and International Trade – R. R. Paul
5. Economic Policy and Planning – V. G. Mankar

SEMESTER – IV
Core Course – X
PUBLIC ECONOMICS

Time: 3 Hours
F. M.: 100 Marks

End Sem: 80Marks
Mid Sem: 20Marks

Module I: Introduction to public finance

Public Finance: meaning and scope, distinction between public and private finance; public goods and private goods – their basic characteristics; externality – meaning, types and role of the Govt; market failure and the provision of public goods – Samuelson solution, principle of maximum social advantage.

Module II: Public Expenditure

Meaning, classification, principles and cannons of public expenditure, Trend of public expenditure growth, Wagner's law of increasing state activities, Peacock-Wiseman hypotheses, effects of public expenditure on production, distribution and economic activities; Discretionary public expenditure.

Module III: Public Revenue

Sources of Public Revenue; Taxation - meaning, definition, classification of taxes – Direct tax, Indirect tax, progressive, proportional, regressive, digressive, specific and advalorem taxes; Merits and demerits of progressive tax; Direct vs. Indirect tax – choice between the two; Cannons of taxation, Principles of taxation – Benefit principle and Lindahl's solution, ability to pay principle and least aggregate sacrifice, Theory of tax incidence – concept of impact, shifting and incidence of tax, forward and backward shifting; Determination of tax incidence (division of tax burden) under perfect competition and monopoly with reference to different cost conditions, Effects of tax on production and distribution.

Module IV: Public Budget

Public Budget: meaning, definition kinds of budget, Economic and functional classification of the budget; Performance budgeting and program budgeting; Arguments for and against Balanced budget; balanced budget multiplier; Keynes and unbalanced budget – case for and against unbalanced budget, Budget as an instrument of economic policy.

Module V: Public Debt

Need and importance of public debt; Sources, effects and burden of public debt (Internal & External); Classical and modern view on public debt; shifting of public debt and intergenerational equity; methods of debt redemption, tax vs. public debt, debt management policy in India.

Readings:

1. Principle of Public Finance – H. Dalton.
2. Public Finance in theory – Musgrave and Musgrave.
3. A Theory of Public Finance – Richard A. Musgrave
4. Modern Public Finance – B. P. Herber
5. Economics of Public Sector – Due and Friedlander.

6. Economics of Public Finance – Dr. B. Mishra
7. Public Finance Theory and Policy – D. M. Mithani

SEMESTER - IV
GE – IV
Elective – B2
INDIAN ECONOMY – IV

Time: 3 Hours
F. M.: 100 Marks

End Sem: 80Marks
Mid Sem: 20Marks

UNIT – I Economic Development and Economic Growth

Determinates of economic development, obstacles to economic development in India, causes of low capital formation in India, measures to raise the rate of capital formation

UNIT – II Financial Market

Functions of commercial banks and co-operative banks; Central Banks (RBI) in India, Nationalization of banks, need for rural banking, functions, problems, prospects of development banks in India.

UNIT – III Sources of revenue of Government of India

Basic features of Indian Tax system, Direct and Indirect tax, their merits and demerits, Finance Commission, its functions, Devolution of resources between centre and state

UNIT – IV External Sector

Role of foreign trade, composition and direction of foreign trade in India since independence; causes of balance of payments crisis; Role of deficit financing; foreign capital; Foreign aid in India's economic development

UNIT – V Current challenges facing Indian Economy

Poverty – its causes, poverty alleviation programmes; Rural exodus; urbanization; Regional disparity; Environmental degradation; Economic reforms since 1991 – privatization, liberalization and globalization.

Books Recommended:

1. Indian Economy – S. K. Mishra & V. K. Puri
2. Indian Economy – R. Dutta & K. P. M. Sundaram
3. Indian Economy – P. K. Dhar
4. Indian Economy since Independence – Uma Kapila
5. Indian Economic Problems – A. N. Agrawal

SEMESTER – V
Core Course – XI
INDIAN ECONOMY – I

Time: 3 Hours
F. M.: 100 Marks

End Sem: 80Marks
Mid Sem: 20Marks

Module I: Introduction to Indian Economy

Colonial exploitations, state policy and India's underdevelopment during British rule; Basic features of Indian economy on the eve of India's independence; Characteristics of Indian economy as a developing economy; Availability of natural resources – Land, Water and Forest resources; Infrastructures - Energy and types of energy resources; energy crisis during 1970's; The energy strategy – exploitation, conservation and management, transport and communication system in India.

Module II: Population and Human Development

Stages of Demographic Transition and India's population; Trends in size and growth rate of population, Effects of population growth on education, Health and Nutrition; Demographic dividend – concept and meaning, its impact on economic growth, demographic dividend and quality of population; challenges of an Ageing population and possible solutions, concept of Human Development and Human Development Index (HDI); Measurement of Human Development in India.

Module III: National Income in India

National income estimation in India during the Pre and Post independence period; Methodology of National Income estimation and major features of National Income in India; Trends in India's National and Per capita Income during different plan periods; Sectoral composition on National Income; causes of unsatisfactory growth performance of National Income; measures for raising growth performance; Alternative approaches for raising National Income; Difficulties in estimation of national income in India.

Module IV: Economic Planning in India

Economic planning: its meaning, definition and features; Objective of planning in India, strategy and achievement of planning during last fifty years; planning commission and its functions; Failures of planning and possible measures for success of planning in India.

Module V: Current Challenges

Poverty – definition and estimate, poverty line, poverty alleviation programs; Inequality in income; regional inequality; causes of income inequality in India, Govt. measures against unequal income distribution, Unemployment – types and causes of unemployment problems in India; Remedial Govt. measures against Rural and Urban unemployment; Recent Employment Policy and its evaluation.

Readings:

1. Indian Economy – S. K. Mishra & V. K. Puri
2. Indian Economy – R. Dutta & K. P. M. Sundaram
3. Indian Economy – P. K. Dhar

4. Indian Economy since Independence – Uma Kapila
5. Indian Economy – A. N. Agrawal

SEMESTER – V
Core Course – XII
DEVELOPMENT ECONOMICS – I

Time: 3 Hours
F. M.: 100 Marks

End Sem: 80Marks
Mid Sem: 20Marks

Module I: Conceptions of Development

Concept of Economic Development – meaning and definition; Economic Development and Economic Growth - Concept and distinction, characteristics of under developed country; Obstacles to economic development, factors affecting economic development of UDCs; Indicators of economic development - National income, Per capita income; PQLI, HDI, GDI; Problems of Capital formation in UDCs - Vicious circle of poverty, Disguised unemployment, other causes of low capital formation in UDCs; Measures to break vicious circle of poverty.

Module II: Theories of Economic Development & Growth

Classical theory of Economic Development – Adam Smith & Ricardo's contributions – concept of stationary state; Marxian theory of capitalist development, Schumpeter's theory of unstable growth; Rostow's stages of economic growth; Lewis theory of economic development with unlimited supply of labour, Keynes theory of economic development and under developed countries.

Module III: Growth Models and Empirics

The endogenous growth models (Romer's Model); Role of Human Capital & economic Growth, Institutional structure and economic growth; Geographical conditions vs. institutions; Balanced growth model, unbalanced growth model (Hirschman); theory of Big-push; critical minimum effort thesis; Evidence on the determinants of growth.

Module IV: Poverty and Inequality: Definitions, Measures and Mechanisms

Understanding Prosperity and Poverty - Geographical conditions and Institutional arrangements; Measuring Poverty - Inequality axioms; connections between inequality and development; characteristics of the poor; Mechanisms that generate poverty traps and path dependence of growth processes; Redefining Poverty Line – Basic needs approach; solutions to the problem of poverty.

Module V: Political Institutions and the Functioning of the State

Public Goods and the Economic Development, State ownership and regulation, Government failures, Corruption and Development, Attaining faster growth – Democracy vs. Autocracy; Trends in Governance and reforms - tackling the problem of corruption, Decentralisation, Development participation; Development policy and the state.

Readings:

1. Economic Development (Low Price edition) – Michel P. Todaro & Stephen C. Smith
2. Economic Development Theory, History and Policy – Meier and Baldwin
3. Economic Development – B. Higgins
4. Economic Development and Planning – S. K. Mishra & V. K. Puri
5. Economic Development and Planning – M. L. Jhingan.
6. Understanding Poverty – Abhijit Banarjee and Dillip Mukherji

7. Development Economics – Debaraj Ray.

DISCIPLINE SPECIFIC ELECTIVE
SEMESTER – V
DSE – I
MONEY AND FINANCIAL MARKET

Time: 3 Hours
F. M.: 100 Marks

End Sem: 80Marks
Mid Sem: 20Marks

Module I: Role and Significance of Money.

Importance of Money – for the Consumer, for the Producers, for Resource Allocation and Distribution of Income; Role of Money in a capitalist, socialist, mixed and developing economy; The Neutrality of money and dynamic functions of money; Money - different from other goods.

Module II: Money, Assets Choice and Economic Activities.

The Liquidity Theory of Money – Concept of Liquidity and creators of Liquidity Assets; Radcliff-Sayers Thesis, Gurley-Shaw Thesis; Portfolio Balance Theory, Wealth Adjustment Theory – their policy implications and limitations.

Module III: Money and Payment System.

Functions of Money – Medium of Exchange and standard for Deferred Payments; kinds of Money - Coins, Currency Notes, Demand Deposits, Term Deposits, Saving Bank Deposits, Post Office Deposits; Concept of ‘Fiduciary’ and ‘Fiat Money’; Measures of money supply, Clearing House; Payment System – Meaning, Conditions for a sound payment system.

Module IV: Credit and Financial System in India.

Credit and Creditors – Meaning (Narrow and Wider); Financial System – its meaning, Indian Financial System – Financial Assets, Financial Intermediaries (FIs), Financial Institution and Non-Bank Financial Intermediaries (NBIs); Economic basis of Financial intermediation; functions and importance of financial system - Inducement to save, Mobilisation of savings, Allocation of Funds, serving production, Trade and Investment, End users of credit and economic activities.

Module V: Indian Financial Market.

Financial Market – Concept and meaning, structure of Financial Market – Money Market and Capital Market; Functions of Money Market - money market and short term loans – call money market, Treasury bill market and commercial bill market; Capital Market – Financial Institutions, Security markets – Gilt-Edged markets, captive markets for Govt. Securities; corporate security market, institutions operating in Indian Capital Market; Stock Exchanges and Indian Capital market, problem of Indian Capital market.

Readings:

1. Monetary Economics – Dr. K. M. Pattaniak
2. Monetary Economics – Suraj B. Gupta
3. Money Banking and International Trade – R. R. Paul
4. Macro Economics Analysis – Edward Shapiro
5. Indian Economy – V. K. Puri and S. K. Mishra
6. Monetary theory – D. M. Mithani.

SEMESTER – V
DSE – II
ODISHA ECONOMY

Time: 3 Hours
F. M.: 100 Marks

End Sem: 80Marks
Mid Sem: 20Marks

Module I: Basics of Odisha Economy.

The Backdrop, Basic Features, Low Per-capita income, over population, Predominance of Agriculture, Unemployment and underemployment, Un-utilised Resources, Capital Deficiency, Weak infrastructure, Low Level of Technology, Poor Quality of Human Capital, A Dualistic Economy, Natural Calamities and Disasters, Corruption, Scams and Detoriation in the Socio-Political value of the people, Inequality and Inflation, Poverty, Transformation from Planned Economy to Market Economy.

Growth of Odisha Economy: Introduction, growth of state Domestic Product and Per-capita Income, District-wise Real per-capita income, Plan-wise Rate of Growth in Odisha and Indian Economy, Structure of Odisha Economy, Structural change in Odisha Economy, Distribution of GSDP among Different districts of Odisha, Consumption Expenditure, Change in Occupational Structure, Conclusion, Obstacles in Economic Development in Odisha.

Module II: Service Sector and Infrastructural Development in Odisha.

Growth of Service Sector, Transport: Road Transport, Rail Services, Water Transport, Ports; Paradeep Port, Air Transport and Civil Aviation, **Communication System:** Post & Telegraph, **Power:** Rural Electrification, L.P.Gas, Coal, **Banking and Insurance:** Branch Expansion, Trend of Deposits and Advances, Priority Sector Lending, Co-operative movement in Odisha, Urban Co-operative Banks, Profitability of the Co-operative societies in Odisha, Recovery position of the Banks, National Bank for Agriculture and Rural Development, Housing and Urban Development, Corporation.

Social Infrastructure in Odisha: Introduction, **Education:** Primary Education, Secondary Education, Higher Secondary Education, Vocational Education, Higher Education Teacher Training, **Health Services:** Birth and Death rate in Odisha & India, Health Institutions and Services in Odisha, Public Health System in Odisha, Water Supply and sanitation, Bharat Nirman Yojana, Access to Toilet/Latrine, Nirmal Bharat Abhijan, Swachh Bharat Mission, Urban Water Supply & Sanitation Programmes.

Module III: Agricultural Development in Odisha.

Introduction, importance of Agriculture Trends in Agricultural Production and Productivity, Trends in Agricultural Production, Food grains, Yield rates of some principal crops in Odisha, Causes of Low Agriculture Productivity; Natural factors, Institutional Factors, Technological and Economic factors, Human Factors, New Agriculture Strategy and Green Revolution in Odisha, Problem areas of agriculture in Odisha, Impact of Green Revolution in Odisha, Animal Husbandry, Trends in Production of Milk, Meat and Eggs, Trends in Fish and Crab Production, Land reforms in Odisha: Salient Features.

Industrial Development in Odisha: Importance of Industrialisation, Industrial Policy, Industrial Development in Odisha, Relative Contribution of different sectors in GSDP of Odisha, Large-scale Industries, Micro, Small and Medium Enterprises, State Level Institutions Promoting Industries, Exports, Public Sector Enterprises, Privatisation of PSEs, Steps towards improving the efficiency of the PSEs, Odisha Industrial Policies Resolution 2001 and 2007, main features, Industrial Policy 1991, Objectives of the New Industrial Policy, Public Private Partnership PPP Mode, Food processing Policy 2013, Mining and Quarrying.

Module IV: Planning in Odisha

Introduction, Sector-wise Plan-outlays under Five year plans, Sector-wise Plan Expenditure of Odisha, Sectoral Plan Expenditure in Odisha during the 11th Plan, Plan-wise Average Growth Rates of Odisha, Monthly Per capita Consumer Expenditure in Odisha.

State Finance: Introduction, Source of funds for state Government, Center-state Financial Relations, Finance commission, 14th Finance Commission Report, Trends of Income and Expenditure in Odisha, Odisha Budget 2014-15, Tax Structure, Non-Tax Revenue, Grants Received by Govt. of Odisha from the Centre Public Expenditure of Odisha, Public Debt, Interim Budget 2014-15.

Module V: Human Development & Poverty.

Introduction, Education, Literacy level, Gender Gap, Health Condition, Employment Scenario, Child Labour, Bonded Labour, Poverty; Social Protection schemes & poverty alleviation Programme in Odisha.

Importance Areas of Concern: (A) High Population Growth (B) Unemployment, causes of unemployment and Employment Generation Schemes, (C) Environmental Degradation & Global Warming, Government Regulation (D) Rising Prices (E) Food Security.

Reference Books:

1. Odisha Economy – R. K. Pany & K. K. Pany (Kitab Mahal)
2. Economic Survey of Odisha.

SEMESTER – VI Core Course – XIII INDIAN ECONOMY – II

Time: 3 Hours
F. M.: 100 Marks

End Sem: 80Marks
Mid Sem: 20Marks

Model I: Agricultural Development in India

Nature and importance of agriculture in Indian Economy; Trends of Agricultural production and productivity; causes of low productivity and factors determining productivity; Land reforms, new agricultural strategies and green revolution, rural credit, Agricultural marketing and warehousing.

Module II: Industrial Development in India

Trends in industrial output and productivities; Industrial Policies of 1948, 1956, 1977 and 1991, Industrial Licensing Policies – 1970 and 1973; MRTP Act, FERA and FEMA; Growth and problems of SSIs - Industrial sickness; Industrial finance and Industrial labour.

Module III: Tertiary Sector and HRD

Tertiary Sector – Meaning and importance; Growth and contribution of service sector to GDP of India, share of service sector in employment; Human Resource Development (HRD) – Meaning, importance of Human Resources, Indication of HRD in India, HRD and quality of Population; Measures for improvement Human Resources – Education, Health and Nutrition; Indian educational policy.

Module IV: External Sector

Foreign Trade in India - Importance of foreign trade; Composition of foreign trade – Exports composition and imports composition; Direction and the trends of foreign trade (Direction of export and imports); Causes of Balance of Payment crisis in recent years, Balance of payment

position after economic reforms; Government steps to reduce BOP deficit in the current account.

Module V: India's Trade Policies

Basic features of India trade policy – Export promotion measures (Export Policy), Imports Policy, Export strategy, New EXIM Policy; Special Economic Zone (SEZ) and its impact in India's exports; Foreign Capital - FDI, Foreign AID and MNCs in India; Causes of growth of MNCs in India and regulatory measures over MNCs.

Readings:

1. Indian Economy – S. K. Mishra & V. K. Puri
2. Indian Economy – R. Dutta & K. P. M. Sundaram
3. Indian Economy – P. K. Dhar
4. Indian Economy – A. N. Agrawal
5. Indian Economy – G. Datt and A. Mahajan

SEMESTER – VI Core Course – XIV DEVELOPMENT ECONOMICS – II

Time: 3 Hours
F. M.: 100 Marks

End Sem: 80Marks
Mid Sem: 20Marks

Module I: Demography and Development

Demographic concepts: birth and death rates, age structure, fertility and mortality, Gender bias in preferences and outcomes, unequal treatment within households; connections between income, mortality; Fertility choices and human capital accumulation; demographic transition during the process of development; Migration – Types and causes of migration.

Module II: Land, Labour and Credit Markets

The Role of Agriculture in Development; The distribution of land ownership; land reforms and its effects on productivity, contractual relationships between tenants and landlords; Land acquisition, nutrition and labour productivity; Informational problems and credit contracts; Microfinance; Interlinkages between rural factor markets. Credit, Intermediation, and Poverty Reduction, Risk faced by poor.

Module III: Individuals, Communities and Collective Outcomes

Individual behaviour in social environments, multiple social equilibria; Governance in organizations and in communities; Individual responses to organizational inefficiency; Environmental Problems, Environmental degradation – Causes and consequences.

Module IV: Environment and Sustainable Development

Sustainable Development – Concept and meaning, Renewable and Non-renewable resources; Environmental Changes, Common-pool resources; Environmental externalities – Positive externality and efficiency; Negative externalities and inefficiency, Government mechanism and efficient adjustment of externalities.

Module V: Globalization

Globalization in historical perspective; the economics and politics of multilateral agreements; trade, production patterns and world inequality; financial instability in a globalized world, Political Economy of Foreign Aid & Development.

Readings:

1. Development Economics – Debaraj Ray
2. Understanding Poverty – Abhijit Banarjee & Dillip Mukharjee.
3. The globalisation Paradox – Dani Rodrik
4. Economic Development – Michel P. Todar and Stephen C. Smith
5. Globalisation in Historical Perspective – M. D. Bordo, A. M. Tayler & J. G. Williamson.

DISCIPLINE SPECIFIC ELECTIVE
SEMESTER – VI
DSE – III
INTERNATIONAL ECONOMICS

Time: 3 Hours
F. M.: 100 Marks

End Sem: 80Marks
Mid Sem: 20Marks

Module I: Pure Theory of International Trade.

Need for a separate theory of International Trade; Classical Trade Theories – Adam Smith's Absolute Cost Advantage Model, Ricardo's comparative cost advantage principle, Haberler's Reformulation of the theory of comparative cost, Heckscher-Ohlin Trade Model; Mill's Theory of Reciprocal Demand, Marshall-Edgeworth's offer curve analysis.

Module II: Gains from International Trade and Terms of Trade.

Gains from International Trade – meaning and its Determinants, Measurements of gains from Trade, Terms of Trade – Concept and meaning, Types of Terms of Trade – Gross Barter Terms of Trade, Net Barter Terms of Trade, Income Terms of Trade, Factors governing the Terms of Trade, favourable and unfavourable terms of trade; Determination of equilibrium terms of trade (Offer Curve Technique), Terms of trade and economic development, terms of trade and economic welfare.

Module III: International Trade and National Income.

Foreign Trade and National Income – Foreign Trade multiplier and determination of National Income in an economy with and without saving and investment, National income and balance of payments, Adjustment of balance of payment deficit by devaluation; effects of devaluation on terms of trade, conditions for the success of devaluation; Quantitative imports control and state trading, IMF and BOP deficit.

Module IV: International Payments and Foreign Exchange Rates.

Meaning and Methods of International payments, Foreign Exchange - its meaning, foreign exchange market – demand and supply of foreign exchange; foreign exchange rate determination by the market forces; purchasing power parity theory of foreign exchange rate, fixed and flexible exchange rates - their relative merits and demerits.

Module V: International Trade Policy and Implications

Trade Policy – Meaning, Policy of free trade – Advantages and Disadvantages of free trade; protection - meaning and methods of protection – tariff, quotas and exchange control; infant industry arguments, effects of tariff and quota on terms of trade, justification of protective trade policy in UDCs, Case for and against protection.

Readings:

1. International Economics – Bo. Sodersten.
2. International Economics – C. P. Kindleberger

3. International trade & Payments – W. M. Scamell.
4. International Economics – G. N. Das
5. International Economics Theory & Policy – I. G. Walter.

SEMESTER – VI
DSE – IV
Project

A Project work is to be undertaken by the student in consultation with the teachers of the department. The student has to prepare the project under the supervision of a teacher of the department. Further, he/she has to submit one Seminar Paper in the department.

Project Work/ Seminar	- 100 Marks
A) Dissertation/ Viva-voce	- 75 Marks
B) Seminar	- 25 Marks

The project work is to be evaluated by both the Internal & External Examiners and an External Examiner is to be invited to conduct the Project Evaluation and Viva-Voce.