

BHARATHIAR UNIVERSITY : COIMBATORE 641 046
M.A. Economics (Distance Education) –
FROM THE ACADEMIC YEAR 2011-12

Year	Subject and Paper	University Examinations	
		Duration Hours	Maximum Marks
First	MICRO ECONOMICS	3	100
First	MACRO ECONOMICS & MONETARY POLICIES	3	100
First	PUBLIC ECONOMICS	3	100
First	INTERNATIONAL TRADE	3	100
First	INDIAN ECONOMY	3	100
Second	AGRICULTURAL ECONOMICS	3	100
Second	INDUSTRIAL ECONOMICS	3	100
Second	RESEARCH METHODOLOGY AND STATISTICS	3	100
Second	HUMAN RESOURCE DEVELOPMENT	3	100
Second	ENVIRONMENTAL ECONOMICS	3	100

Subject Title : MICRO ECONOMICS

Subject Description: This subject is aimed at providing knowledge on basic Economic Principles, as well as applied skills to enable the students to gain managerial decision making and skills.

Goals: This paper intends to give the students a good understanding of the economic theory and applying it in business decisions.

Objectives:

- To gain sound knowledge in basic Economic theories, concepts and models.
- To gain sound knowledge to apply economic theories and models

Contents:

Unit - I

Nature, Scope and Methodology of Economics – Induction Vs Deduction, Micro Vs Macro Economics – Static and Dynamic Analysis, Positive Vs Normative Economic Analysis - Cardinal Utility Approach: Law of Diminishing Marginal Utility - Consumer's equilibrium, Derivation of Demand Curve, Law of Demand. -- Ordinal Utility Approach: Indifference curve - Price, Income and Substitution Effects - Derivation of Demand Curve - Revealed Preference Theory of Demand - Consumer Surplus - Different Types of Elasticity of Demand: Meaning and Measurement.

Unit - II

Production Analysis: Law of Variable Proportions - Concept of Homogeneous Production Function - Cobb-Douglas and its Properties - Returns to Scale - Cost Concepts: Fixed and Variable Costs – Marginal and Total Cost - Short Run and Long Run Cost Curves - Economies and Diseconomies of Scale - Revenue Concepts: Average, Marginal and Total Revenue.

Unit – III

Features, Price and Output Determination under Perfect Competition - Features, Price and Output Determination under Monopoly - Discriminating Monopoly – Price Discrimination - Monopolistic Competition: Price and Output Determination – Chamberlin’s Theory of Monopolistic Competition – Critique of Chamberlin’s Theory of Monopolistic Competition.

Unit – IV

Features, Price and Output Determination under Oligopoly - Cournot’s Model and Chamberlin’s Model of Oligopoly - Kinked Demand Curve in Oligopoly - Marginal Productivity Theory - Limitations of the Marginal Productivity Theory Product Exhaustion Problem - Euler's Theorem - Modern Theory of Rent - Wage determination and collective Bargaining - Loanable Funds Theory of interest. Liquidity Preference Theory of Interest - Innovation Theory of Profit.

Unit – V

Pigou’s theory of Welfare Economics – Conditions of Pareto Optimality – Bergson and Samuelson’s Social Welfare Function – Arrows Impossibility Theorem.

References

- Samulson P.A. and W.O. Nordhaus (1998) Economics 16th Edition Tata Mc Gram Hill, New Delhi
- Dewett K.K. Modern Economic Theory, S. Chand & Company Ltd., Revised Edition 2005.
- Ahuja H.L. Modern Economics 13th Edition, 2008, S.Chand and Company Ltd., New Delhi.
- Sen A. (1999) Microeconomics: Theory and Application, Oxford University Press, New Delhi.
- Koutsoyiannis, A. (1979), Modern Microeconomics, 2nd edition Macmillan Press, London.

Subject Title : MACRO ECONOMICS & MONETARY POLICIES

Subject Description:

This course aims at students to gain strong fundamentals of macro economy theories policies and models in a historical prospective.

Goals:

The paper examines the basic principles underling the functioning of an economy and deals with the determination of major macroeconomic aggregates.

Objectives:

- To introduce the students on the sectoral flow of national income, its accounting and factors influencing income at current and constant prices.
- To enable students develop a critical insight on classical, Keynesian macro economic models and a functioning at four different market conditions.
- To make students to understand roll of expectation uncertainty and the relationship between inflation and employment.

Contents:

UNIT – I

National Income – Concept and Measurement – GDP – GNP – Difficulties in the Measurement of National Income - Social Accounting – Presentation of Social Accounts - Importance of Social Accounting – Difficulties in Social Accounting.

UNIT – II

Classical Theory of Income, Output and Employment – Keynesian Theory of Income, Output and Employment – Say’s Law of Market – Principles of Effective Demand – Importance of Effective Demand – Aggregate Demand and Aggregate Supply.

UNIT – III

Consumption Function – Keyne’s Psychological Law of Consumption – Determinants of the Consumption function – Investment function – Types of Investment – Marginal Efficiency of Investment (MEI) – Saving and Investment Equality - Multiplier – Assumption – Leakages – Importance of Multiplier - Acceleration – Income Determination – IS and LM Functions – General Equilibrium.

UNIT – IV

Role of Central Banks - Development and Promotional Functions - Credit Control Methods - RBI: Role and Functions - Role of Monetary Policy in Economic Development - Goals, Targets and Indicators of Monetary Policy - Inflation.

UNIT – V

Characteristics of Developed and Undeveloped Money Market - The Indian Money Market - Capital Market: Primary and Secondary Market - Stock Exchanges: Role and Their Functions - SEBI.

References:

1. Chandler, L.V., Economics of Money and Banking (UBS) Revised Edition.
2. Laidler, David, The Demand for Money (Allied Publishers).
3. Harry G.Johnson, Further Essays in Monetary Economics(Allen & Unwin).
4. M.L. Jhingan “Advanced Economic Theory,” Vrinda Publications (P) Ltd.

5. M.C. Vaish “Macro Economic Theory,” Vikas Publishing House (P) Ltd.
6. R. D. Gupta and A.S. Rana “Keynes and Post Keynesian Economics,” Kalyani Publishers.

Subject Title : **PUBLIC ECONOMICS**

Subject Description:

This subject is primarily aimed at introducing principles of public finance, role of different governments, public expenditure, taxation, budget and fiscal policy in India.

Goals:

To give exposure to the student, the role and the function of the government in a modern economy. The government plays different roles and performs varied functions which are different from earlier societies. In this context the public financial functions of the government need to be understood by a student, by studying the relevant theory and empirical analysis.

Objectives:

- To gain sound knowledge on the principles of public finance.
- To understand roles of different governments.
- To provide a strong knowledge base on Indian public finance.

Contents:

UNIT – I

Role of Government In Managing Economy Under Different Economic Systems – Social Welfare Function – Theory of Public Goods - Market Failure – Externalities – Problems in allocation of Resources – Theoretical developments in Demand Revelation for Social Goods – Public Choice.

UNIT – II

Public Expenditure: Theories of Public Expenditure – Structure and Growth of Public Expenditure – Criteria for Public Investment – Income Redistribution – Expenditure Programmes for the Poor.

UNIT – III

Budget – Concept of PPB – Zero-based Budgeting – Deficit Budgeting – types of Deficits – Public Debt: Trends and Composition of Indian Public Debt – Debt Management

UNIT – IV

Taxation : Theory of Taxation – Benefit and Ability-to-Pay Approaches – Indian Direct and Indirect Taxes – Tax reforms Since 1975 – Chelliah Committee Report – Evaluation of Tax Reforms – Taxation Incidence and Alternative Concepts of Incidence.

UNIT – V

Fiscal Policy – Role of Fiscal Policy in India – Principles of fiscal Federalism in India – Vertical and Horizontal Imbalance – Finance Commissions and Planning Commission – Issues in Revenue Devolutions and Grants-in-aid – Local Finance.

References:

1. Dr. B.P. Tyagi “Public Finance,” Jai Prakash Natu & (O).
2. S.K. Singh “Public Finance in Theory and Practices,” Sultan Chand & Co.
3. D.K. Srivastava, “Issues in Indian Public Finance,” New Century Publications.

Subject Title : INTERNATIONAL TRADE

Subject Description:

This course deals with India’s legal frame works for foreign trade trends and composition of export trade and recent changes in foreign trade policy

Goals:

The purpose of the course is to give the students an understanding about the india’s foreign trade interims of trade, composition and discussion

Objectives:

- To understand Export – Import Policy of India
- To be familiar with export promotion measures proceed in the country.

Unit I

The basis of trade – Hecksher – Ohlin Theorem – Leontiff Paradox – Factor price Equalization – Stolper Samuleson Theorem – Rybcznski Theorem.

Unit II

Importance of Terms of Trade – concepts of terms of trade – factors affecting terms of trade – Prebisch – Singer thesis - Doctrine of Reciprocal demand and offer curve analysis - Gains from International Trade.

Unit III Exchange rate – Determination of equilibrium exchange rate – Mint Par Parity – Purchasing Power Parity (PPP) – Balance of Payments (BOP) Theories – Fixed and Flexible exchange rate – Spot and Forward Exchange Rate - Adjustable Peg - Crawling Peg and Managed Floating Systems.

Unit IV Balance of Payments – Balance of trade and balance of payments – BOP disequilibrium – Method of correcting disequilibrium - Devaluation – Elasticity and Absorption approach – Exchange control – Current and Capital Account convertibility of Indian rupee.

Unit V International institutions – IMF and IBRD – WTO – Trade Blocs and Monetary units – Impact of liberalisation on the pattern of trade.

References

1. Cherumilum Francis: '**International Business**', NewDelhi, Wheeler Publication, 1998
2. Kindeleberger, Charles : **International Economics**, 1973
3. Sodersten, Bo. and Geoffery Reed ; **International Economics**, Hongkong Marmilan ltd.1998
4. W.Charles Sawyer, Richard.D.Sprainkle : **International Economics** , Prentice Hall of India.

Subject Title : **INDIAN ECONOMY**

Subject Description:

Indian Economics provides the foundations for "economic development". The topics covered in Indian Economics are characteristics of developed and under developed economy, estimation of national income, measurement of the poverty level, economics of planning and public finance for allocations of funds.

Goals:

This course is intended to introduce the students on the basic concepts of economic development, strategies and measurement. With this background the course will provide broad outline on the nature and characteristic feature of the Indian Economy.

Objectives:

- To give the students the tools for critical decision-making about and participation in Indian economic growth and development.

Contents:

Unit- I : Introduction:

Concepts of development and under development - General characteristics of Indian Economy - New Economic Policy of India 1991 onwards - Natural Resources in India - Water, Land and Forest.

Unit-II: Problems in Indian Economy:

Poverty - The concept and measurement of poverty - Causes of poverty and Remedies - Unemployment - Concept and measurement of unemployment, Causes of unemployment and Remedies - Economic Inequality - Concept and measurement of Economic Inequality, Causes of Economic Inequality and Remedies - Self-Reliance of Indian Economy - Concept of self-reliance, Concept of inclusive growth in 11th plan.

Unit- III: Population:

The theory of demographic transition and India - Broad features of Indian Population - Size and growth rate, birth and death rates, sex composition, literacy, age composition, Rural-Urban distribution, Occupational distribution, Life expectancy and density - Indian Population Policy of 2002 and onwards.

Unit- IV: Infrastructure in Indian Economy:

Meaning and Importance of Infrastructure - Water supply and Sanitation - Energy and Power - Transport and Communication - Science and Technology - Rural and Urban Infrastructure.

Unit- IV: Planning in Indian Economy

Planning and Economic development – Mixed Economy and Economic Planning Development Strategy in India, Models of Economic Development (Nehru vs Gandhi) – Eleventh five year Plan: Objectives, Sectoral Allocation of Resources – critique of the Eleventh Plan.

References:

1. Dutt.R. and K.P. M.Sundaram : Indian Economy, S.Chand and Co, New Delhi.
2. Agarwal.A.N. : Indian Economy, Wiley Eastern Ltd, New Delhi.
3. Srinivas Y.Thakur : Indian Economic Development, Sterling Publishers, New Delhi.

Government of India, Economic Survey, (various years).

Subject Title : AGRICULTURAL ECONOMICS

Subject Description:

This subject is aimed at providing knowledge on the agricultural economy of India, its development, productivity, rural indebtedness and defects in the agricultural market.

Goals:

To enable the student to understand some of the central aspects of agricultural economy of India.

Objectives:

- To familiarize the agricultural situation in India
- To provide sound knowledge base on India's Agricultural economy before green revolution and after it.
- To develop a critical study on recent Agricultural crises in India.

Contents:

UNIT – I : Features of Agriculture - Importance of Agriculture in the Indian Economy - Relationship between Agriculture and Non-Agriculture sectors - Agriculture Development in India - Subdivision and Fragmentation of holdings in India and causes - Land Tenure and Land Reforms.

UNIT – II: Green Revolution - Agriculture Inputs: Fertilizers and Plant Protection, Irrigation and Farm Mechanization - Concept of Agricultural Labourer – Growth, Causes of Growth - Conditions and Problems of Agricultural Laborers and Measures Taken.

UNIT – III: Role of Capital in Agriculture - Sources of Capital - Need for Agricultural Credit - Classification of Agricultural Credit - Source of Agricultural Credit: Non-institutional and Institutional – Crop Insurance - Capital Formation In Agriculture Sector.

UNIT – IV: Functions of Marketing - Characteristics of Agricultural Produce – Defecting In Marketing of Agricultural Produce In India – Measures Taken By Government – Regulated Markets – Co-Operative Marketing – Marketed and Marketable Surplus, Marketing Costs and Margin.

UNIT – V : Need For and Objectives of Agricultural Price Policy - Instruments of Agricultural Price Policy In India: Support, Procurement And Issue Prices - Public Distribution – Buffer Stock – Agricultural Trade and Balance of Payment With Special Reference To Agricultural Commodities.

REFERENCES:

1. S.S.Johl and Kapur – Fundamentals of Farm Business Management, Kalyani Publishers.
2. A.N.Sharma and V.K.Sharma:- Elements of Farm Mngement, Prentice-Hall of India Pvt. Ltd
3. Sadhu and Singh - Fundamentals of Agriculture Economics, Himalaya Publishing House, Bombay.
4. Earl.O.Heady - Economics of Agricultural Production & resources use, Prentice Hall, New Delhi.
5. Rudder Datt and K P M Sundaram- Indian Economy, S.Chand & Company Ltd, New Delhi.
6. Sankaran.A. Agricultural Economy of India, Progressive Corporation. Pvt. Ltd., Bombay.
7. .Srivastava.O.S. Agricultural Economics, Rawat Publications, Jaipur, 1996.

Subject Title : INDUSTRIAL ECONOMICS**Subject Description:**

This paper deals with the basic concepts in Industrial Economics, Productivity and its measurement, methods of project evaluation and pricing of products. Theory of Production of Functions and numerical measurement of elasticities.

Goals:

This course aims at providing an indepth knowledge on the need, significance, measurement and use of various industrial productivity concepts. The scope also intends to develop skills to monitor and mange enterprises at optimal levels of industrial productivity.

Objectives:

- To introduce to the students the various concepts used in Industrial Economics.
- To enable the students to measure productivity numerically using mathematical and econometric techniques.
- To make students to draw inferences based on the numerical measurements.

Contents:**UNIT-I**

Meaning of the Firm and Industry-Industrial Efficiency: Meaning of the Concept- The Determinants of Economic Efficiency- Measurement of the Efficiency Levels- Types of Organisational Form- Business Motives

UNIT II

Industrial location- The Geographical contribution - The economic theories of location-Weber's theory of location- Split location-Sargant Florence theory.-Losch theory-Industrial location trends in India.

UNIT III

Industrial productivity- Measurement of Productivity- Scope and significance- Tools of productivity- Factors influencing industrial productivity- Labour productivity- Determinants of labour productivity- Productivity movement in India.

UNIT-IV

Financial Ratio Analysis- Classification of Financial Ratios- Methods of Project Evaluation: NPV, Payback Method, IRR, ARR, Cost-Benefit Analysis- Inventory Investment Approach.

UNIT-V

Balanced regional development-Indicators of regional imbalance-Distribution of industries- Causes of economic backwardness-Criteria for industrial backwardness-Identification of Industrial backward areas Policy measures to remove regional disparities.

References:

1. Ahluwalia, I.J (1985), Industrial Growth in India, Oxford University press, New Delhi
2. Barthwaj.R.R (2006) Industrial Economics, New Age International Publishers, New Delhi
3. Desai, B. (1999), Industrial Economy in India, Himalaya publishing House, Mumbai.

Subject Title : RESEARCH METHODOLOGY AND STATISTICS

Subject Description:

This course is designed to induce the basic principles and methods of quantitative and qualitative research for conducting the empirical research and writing research report.

Goals:

This course will emphasis on research process includes problem identification, conceptualization of research questions, sampling design, measurement, data collection, analysis and dissemination of findings.

Objectives:

- Upon completion of this course, students should have developed an understanding of the research process, its applications in the economic research and its utilizations in the problem solving in economic research.

Contents:

UNIT –I

Meaning of Research – Objectives of Research – Formulation of Research Problem – Formulation of Hypothesis – Research Design: Pure, Applied, Action and Evaluation Research.

UNIT –II

Sources of Data: Primary and Secondary Sources – Methods of Data Collection: Census and Sample survey – Instruments of Data Collection: Observation, Interview , Schedules and Questionnaires – Sampling Design: Probability and non – probability Sampling Methods , Sources Secondary Data in India.

UNIT –III

Analysis of Data: Measures of Central Tendency: Mean, Median and Mode – Measures of Dispersion: Range, Mean Deviation, Standard Deviation, Variance, Coefficient of Variation.

UNIT –IV

Testing of Hypothesis: Parametric and Non – Parametric Tests – Standard Test of Hypothesis: ‘Z’ test, ‘t’ test, ‘F’ test and ANOVA, Chi square test – Index Numbers.

UNIT –V

Presenting Results : Written and oral Reports – Stages in Drafting Written Research Report – Layout of Research Report – Footnotes and Bibliography.

Reference Books:

1. Gupta S.P “Statistical Methods”, Sulthan & Chand Co
2. Krishnaswamy.O.R. (1993) Methodology of Research in Social Sciences, Himalaya Publishing House, Bombay.
3. Lipsey G.R. (1995) An Introduction to positive Economics/EL/BS/ Chrystal.K.A. with Oxford University Press, Madras.
4. C.R.Kothari (1988) Research Methodology, Methods and Techniques - Willey Eastern Ltd., 1988.

Subject Title : HUMAN RESOURCE DEVELOPMENT

Subject Description :

This course is aimed at providing Ideas on basic concepts in Economics of Human Resources as well as applied skills to enable the students to gain knowledge on human resources.

Goals:

This paper intends to give the students a good understanding of the contents of human resources and applying it in business decisions.

Objectives:

- To familiarize in theories and concepts of human resources.
- To gain sound knowledge on human capital theories.
- To enable the students to know about the importance of investment in health and education.

Contents:

UNIT-I:

Importance of Human Resource- Human Resource and Economic Development-The Theory of Investment in Human Capital –Return to Investment in Human Capital –Gender Inequalities- Unemployment-Kinds, Causes and Remedies.

UNIT-II

Importance of Investment in Human Resource; Education and Economic Development – Women’s Education- Public Expenditure on education in India-Higher Education in India.

UNIT-III

Importance of Human Resource in Health- Investment in Health - Importance of Health Economics- Demand for Health - Healthcare expenditure in India-Healthcare issues and Challenges- Health Insurance for the Poor.

UNIT-IV

Demand for Labour- Supply of Labour- Theories of Labour Market- Wage Theories – Trade Unions – Women and Child Labour.- Labour Market discrimination- Social Security Measures in India.

UNIT-V

Migration- Types of Migration: Internal and External- Reasons for Migration- Theories of Migration: Micro and Macro –Effects of Urbanisation - Brain Drain in India

Reference Books:

1. Becker. G.S Human Capital
2. Blaug.M An introduction to Economics of Education, Penguin Books.
Economics of Education-Vol -I & II, Penguin Books and ELBS.

3. Psacharopoulos.G Returns to Education.
4. Psacharopoulos.G Economics of Education-Research Studies Program Press
5. Schultz.T.W Economic Value of Education.
6. Nidhi Shah Human Resource Development in Healthcare

Subject title : ENVIRONMENTAL ECONOMICS

Subject Description:

This course explores the fundamental theories of environmental economics, the environmental problems and policy measures.

Goals:

This course is intended to introduce the basic environmental economics coverings theory and concepts, environmental problems, issues in environment protection, assessment of environmental damages, policy issues, government regulation and environmental protection in India.

Objectives:

- To apply economic theories in to the environmental problems to solve the social issues.

Contents:

UNIT-I:

An introduction to Environmental Economics and Concepts

An Introduction to Environmental Economics – Economy-Environment Linkages – The Material Balance Principle – Market Failure – Private Versus Social Cost – Trade-Off between Economic Growth and Environment – Sustainable Development – Environmental Quality as a Public Good

UNIT-II:

Environmental Problems

Sources and Types of Pollution: Domestic and Industrial Pollutions (Air, Water, Solid Waste, Land Degradation) – Causes and Effects of Environmental Degradation – Urban and Rural Environmental Problems – Energy: Renewable and Non-Renewable Resources – Global Environmental Problems: Global Warming; Climate Change

UNIT-III:

Environmental Economic Theory for Resource Allocation

Economic Theory for Resource Allocation – Externalities – Pareto Efficiency’ and the Market – Limits to Growth – Coase’s Theorem- Simon Kuznet’s Inverted ‘U’ Shaped Curve – Technology Versus Environment – Population and Environment

UNIT-IV:**Environmental Management**

Economics of Pollution Control - Environmental Impact Assessment (EIA) – Benefit/Cost Analysis – Contingent Valuation Method – Valuing Environmental Benefits: Hedonic Price Approach.

UNIT-V:**Policy Measures**

International Environmental Policy – India’s Environmental Policy – Law and Environmental Protection in India

References:

1. U. Shankar (2000) ‘Environmental Economics, Oxford University Press, New Delhi
2. Eugene T. (2005): “Environmental Economics”, Vrinda Publications, Pvt. Ltd, New Delhi.
3. M. Karpagam (2000) ‘Environmental Economics’ Sterling Publisher Pvt.Lyd. New Delhi
4. Ramprasad Sengupta (2000) ‘Ecology and Economics’ Oxford University Press, New Delhi
5. Charles D. Kolstad (2000): “Environmental Economics”, Oxford University Press, New York.