UNIVERSITY OF RAJASTHAN
JAIPUR

SYLLABUS

M.A. ECONOMICS

Semester Scheme

I & II Semester    2016-2017

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University of Rajasthan
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Revised Syllabus of M. A. Economics (Semester Scheme) 2016-17 2/2 Semester

The Department of Economics offers four semesters full-time M.A. Degree Course having twenty four courses in all, out of which twelve courses are compulsory core courses and rest twelve elective core courses. Each paper of three hour duration with maximum 100 marks will fetch 6 credits.

Note: Each question paper shall consist of three parts. Part A shall contain 10 questions carrying two marks each. The candidate is required to answer each question in 20 words. Part B shall contain four questions carrying five marks each. The candidate is required to answer each question in 150 words. Part C shall contain three questions (one from each module) with internal choice carrying 20 marks each.

Courses for Semester – I

Compulsory Core Courses
Paper I – Microeconomic Theory – I
Paper II – Macroeconomic Theory – I
Paper III – Mathematical Methods for Economics

Elective Core Courses
The candidate is required to select any three elective courses from the following:

Paper ECO A01: Environmental Economics-I
Paper ECO A02: Demography-I
Paper ECO A03: Agricultural Economics -I
Paper ECO A04: Industrial Economics-I
Paper ECO A05: Mathematical Economics-I
Paper ECO A06: Indian Banking System

Courses for Semester – II

Compulsory Core Courses
Paper V – Microeconomic Theory – II
Paper VI – Macroeconomic Theory – II
Paper VII – Statistical Methods

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Elective Core Courses
The candidate is required to select any three elective courses from the following:

Paper ECO B01: Environmental Economics-II
Paper ECO B02: Demography-II
Paper ECO B03: Agricultural Economics -II
Paper ECO B04: Industrial Economics–II
Paper ECO B05: Mathematical Economics–II
Paper ECO B06: Indian Financial System

Semester – I

Compulsory Core Courses

Course ECO 101: Microeconomic Theory – I

Module – 1

Module – 2

Module – 3

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Books Recommended:


Course ECO 102: Macroeconomic Theory – I

Module – 1


Module – 2


Module – 3

Classical, Keynesian, and Post Keynesian Theories of Demand for Money - Inventory Theory of Baumol and Portfolio Balance Theory of Tobin; Restatement of Quantity Theory of Money by Milton Friedman and Patinkin’s Theory for Money Demand; Supply of Money – Measurement, Components, Determinants, High-Powered Money & Money Multiplier and Theories of Money Supply.

Books Recommended:

1. Errol D’Souza, Macroeconomics, Pearson Education.
Course ECO 103: Mathematical Methods for Economics

Module - 1

Concept of a Function; Limit, Continuity and Differentiability of a Real Valued Function; Concave and Convex Functions. Derivatives – Simple Differentiation; Maxima, Minima and Point of Inflection and Applications of Simple Differentiation in Economics, Partial Differentiation and Unconstrained and Constrained Optimisation(Two Independent Variable Case), Simple Applications in Economics.

Module - 2

Integration; Indefinite and Definite; Applications, First order Difference and Differential Equations and their Application in Economics.

Module - 3

Matrices and Determinants and their Applications in Economics, Vectors, Input-Output Model, Linear Programming (graphical and simplex methods), Game Theory.

Books recommended:


Elective Core Courses

The candidate is required to select any three elective courses from the following:

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Course ECO A01: Environmental Economics -I

Module - 1


Module - 2
Air Pollution: Types of Pollutants and their Impact
Water Pollution: Concepts of BOD and COD, pH values, Fluoride; Fertilizer use.

Module - 3


Books Recommended:


Course ECO A02: Demography -I

Module - 1

Introduction to Population Study and Demography; Its Nature and Scope; Relationship with other disciplines; Basic Demographic Concepts; Components of Population Change; Demographic Transition and Optimum Theory of Population; Historical Population Trend in Developed and Developing Regions.

Sources of Demographic Data (with details of items on which it collects data): Census of India, Vital Registration System, Sample Registration System, National Sample Survey Organization, National Family Health Survey and District Level Household Survey.

Module-2

Determinants and Consequences of Age-Sex structure of Population; Demographic Dividend; Basic Fertility Terms, Concepts and Data, Concept of Morbidity; Measures of Morbidity: Incidence and Prevalence Rates; Meaning and Measure of Burden of Diseases; Epidemiological Transition; Concept of Migration and Mobility, Types of Migration, Census Definition of Migrants

Module - 3

Techniques of Analysis: Crude Birth and Death Rates, Age Specific Birth and Death Rates, Infant Mortality, Child Mortality, Maternal Mortality, Standardized Birth and Death Rates; Analysis of Total Fertility Rate, Gross Reproductive Rate, Net Reproductive Rate; Fertility Transition in India

Books Recommended:

5. National Family Health Surveys

Course ECO A03: Agricultural Economics - I

Module - 1

Module - 2
Agricultural Production: Uniqueness of Agricultural Production; Various Types of Factor-Product, Factor-Factor, and Product-Product Relations; Cobb-Douglas and CES Production Functions. Role of Farm Size and Structure in Equilibrium, Productivity, and Return to Scale. Sources and Barriers to Agricultural Development.

Module - 3
Risk and Uncertainty in Agriculture: Nature and Types of Risks and Uncertainties in Agriculture, Public Policies and Farm Level Measures to Reduce Risk and Uncertainties. Demand for and Supply of Farm Products: Characteristics of Demand for Farm Products; Quantity and Quality Components of Demand for Food; Forecasting of Demand for Food
Products, Characteristics of Supply of Farm Products, Supply Response of Farm Products; Role of Price and Non-Price Factors in Inducing Aggregate Supply, Empirical Supply Response Functions and Evidence.

Books recommended:

Course ECO A04: Industrial Economics - 1

Module-1
Industrialization and Development. Interdependence of Industrial Sectors; Backward and Forward Linkages. Location of Industries, Theories and Measures of Industrial Localization (Sargent F. & A. Weber). Localization of Industries in India. Industrial Project Selection Criteria.

Module-2

Module-3

Books Recommended:

Course ECO A05: Mathematical Economics – I

Module – 1
Theory of Consumer Behaviour-Nature of a Utility Function; Properties of an Indifference Curve; Maximization of Utility; Demand Functions: Ordinary and Compensated, Price and Income Elasticity. Elasticity Relations in Demand Analysis and Restrictions on Demand Functions; Slutsky Equation - n-Commodity Case, Elasticity Form and Important Results; Income and Leisure - Derivation of Labour Supply Function and its Properties; Linear Expenditure System- Properties and Derivation of Linear Demand Functions; Homogeneous and Homothetic Utility Functions; Indirect Utility Functions- Properties, Derivation, Roy's Identity and Derivation of Direct and Inverse Demand Functions; Consumer's Surplus.

Module – 2
Module - 3
Input Demand Functions- Properties and Derivation of Producer's Input Demand Functions (through profit maximization); Cost Functions- Properties and Derivation of Short run and Long Run Cost Functions (through profit maximization); Determination of Optimum Plant Size; Perfect Competition-Market Demand, Producer Demand, Supply Functions(Short Run and Long Run), External Economies and Diseconomies, Commodity Market Equilibrium Under Perfect Competition (Short Run and Long Run), Differential Cost Conditions and Rent, Effects of Taxes on Optimum Output Level, Supply Function and Price Level.
Note: Use of non-programmable calculator is permitted.

Books Recommended:
2. RGD Allen, Mathematical Economics, Macmillan.

Course ECO A06: Indian Banking System

Module- 1
Indian Banking System as on the eve of bank Nationalization, Structure and Development of commercial banks in India since 1969. Branch expansion programme and policy, deposit mobilization and sectoral allocation of Bank Credit. Concept of social and mass banking. Priority sector advances and advance to the neglected sections of the society.
Financial Sector Reforms- Context, need and objectives. Implementations of the Narsimham Committee recommendations, Issues in financial reforms.

Module -2
Rural Banking- Overall structure and review of the contribution of major credit cooperatives, commercial banks and Regional Rural banks including NABARD.

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Module- 3


Books Recommended:
1. S.B. Gupta: Monetary Planning for India (Latest Ed.)
3. L.M. Bhole: Impacts of Monetary Policy.
4. HarendraBadhav (ed.) Challenges to Indian Banking Competition, Globalisation and Financial Markets McMillan
5. N.S.Yher: Non-Performing Advances in Banks, Skylark, New Delhi.
8. I.B.A Bulletin: Annual Special Issues
9. RBI Report on trend and Progress of Banking in India (Latest edn.)
11. Y.V. Reddy. Monetary and Financial Sector Reforms in India, UBSPD, New Delhi

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Compulsory Core Courses

Course ECO 201: Microeconomic Theory – II

Module-1


Module-2


Module-3


Books Recommended:

Course ECO 202: Macroeconomic Theory – II

Module-1


Module-2

Open Economy Macroeconomics- Trade Balance, Exchange Rates and International Monetary System; Mundell-Fleming Model: Analysis of Fiscal, Monetary and Trade Policies under Imperfect Capital Mobility and Perfect Capital Mobility with Fixed and Flexible Exchange Rate Systems; Classical, Keynesian and Monetarist Approaches to Inflation and Policies to Control Inflation; Phillips Curve Analysis; Expectation Augmented Phillips Curve Analysis; Natural Rate of Unemployment Hypothesis. Role of RBI in Inflation Control, Credit Control and Economic Stability.

Module-3


Books recommended:

2. Errol D’souza, Macroeconomics, Pearson Education.
Course ECO 203: Statistical Methods

Module-1

Correlation, Simple Regression and Interpretation of Multiple linear Regression Equation.

Module-2

Analysis of Time Series and Curve Fitting, Index Numbers.
Probability, Mathematical Expectation, Probability Distributions (Binomial, Poisson, and Normal)

Module-3

Sample and Survey Methods, Testing of Hypothesis, Application of Z, t, F & $X^2$ tests,
Association of Attributes, Analysis of Variance.

Book recommended:


Elective Core Courses

The candidate is required to select any three elective courses from the following:

Course ECO B01: Environmental Economics-II

Module-1


Welfare Economics: Efficiency and Competitive Markets. Problems of Market Failure:
Public bads and Externalities-Optimal Provision of Public goods and bads, Pricing Public goods and bads.

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Module-2

Theory of Environment Regulation: Rationale for regulation, Price Rationing, Pigovian taxes-
single and multiple polluters, Subsidies for Abatement of Pollution in short and long run,
Property Rights: Coase Theorem, Problems of Public bads and Bargaining, Policy
significance of Coase Theorem, Common Property Resources and Tragedy of Commons.
Command and Control, Economic Incentives; Tradable Pollution Permits.

Module-3

Regulation with unknown Control Cost: Unknown Polluter Characteristics (adverse selection
problem), Unobserved Control Cost-emission fees or quantity regulation, Hybrid Price-
Quantity regulation, Obtaining Private Control Cost Information, Enforcement, Dynamics
and Commitment, and Moral hazard. Environmental Risk and uncertainty: Regulating Risk
with Liability, Liability versus Direct Regulation and Environmental Risk and Insurance.

Books Recommended:

1. Hanely, Nick, Jason F. Shorgen, and Ben White (1999), Environmental Economics: In
   Theory and Practice, MacMillian.

   Press.


Paper ECO B02: Demography-II

Module-1

Life table: Basic concepts of Life Table; Types and Forms of Life Table; Construction of Life
Tables based on Age-Specific Death Rates, Conventional Approach of Life Table
Construction; Concept and Need for Model Life Tables; Mosley and Chen's Framework for
Child Survival; Bongaarts Proximate Determinants of Fertility

Module-2

Concept and uses of Population Projection, Methods of Interpolation, Extrapolation using
Gompertz Curves; Concepts and Measures of Population Ageing; Implications of Population
Ageing on Labor Force, Retirement and Work Participation among Elderly, Implication for
Government Expenditure for Pension
Module-3

Gender Issues: Understanding Gender, Gender Inequalities, Gender Differentials in Nutrition and Health, Employment and Property Inheritance and Female Headship; Modern Theories of Population and Development: Pessimistic, Optimistic and Neutralist View; National Population Policy, 2000; National Rural Health Mission

Books Recommended:


Paper ECO B03: Agricultural Economics -II

Module-1
Agricultural Finance: Financial Characteristics of Agriculture, Imperfect Information [Agency Relationship, Adverse Selection, and Moral Hazard] and Enforcement Problems in Credit Markets; Segmented Rural Credit Markets, Resolving Information and Incentive Problems; Managing Borrowers’ Credit Risks; Agribusiness and Trade Financing; and Rationale for Government Intervention in Rural Credit Markets. Structure and Functioning of Rural Credit Market in India.

Module-2

Module-3

Books Recommended:


10. World Bank: Rejuvenating Indian Agriculture, Washington, World Bank

**Paper ECO B04: Industrial Economics II**

**Module-1**


**Module-2**


Module-3


Books Recommended:

9. Wildsmith, S.: Managerial Theories of the Firm
11. Nayyar, Deepak (ed.): Industrial Growth and Stagnation, Oxford University Press.

Course B05: Mathematical Economics-II

Module – I

Module – 2


Module – 3


Note: Use of non-programmable calculator is permitted.

Books Recommended:

Course ECO B06: Indian Financial System

Module- 1

Money Market- Designation, nature and role of money market in the economy. Indian money market- call money market, treasury bills market, commercial bill market, markets for commercial paper and certificate of deposits. The discount market. Discount and finance house of India and securities trading corporation of India.

Module - 2


Module- 3

Markets for futures, options and other financial derivatives.

Books recommended:

1. S.B. Gupta: Monetary Planning for India (Latest Ed.)
3. L.M. Bhole: Impacts of Monetary Policy.
4. HarendraBadhav (ed.) Challenges to Indian Banking Commpetition, Globalisation and Financial Markets McMillan
5. N.S.Yher: Non-Performing Advances in Banks, Skylark, New Delhi.
8. I.B.A Bulletin: Annual Special Issues
9. RBI Report on trend and Progress of Banking in India (Latest edn.)
11. Y.V. Reddy, Monetary and Financial Sector Reforms in India, UBSPD. New Delhi.