

**FACULTY OF ARTS**

**M.A. PREVIOUS ECONOMICS**

**Programme Specific Outcomes**

**PSO1** To impart in depth knowledge to students about economic theory regarding utilization and allocation of resources including labour, natural resources and capital.

**PSO 2** To develop students understanding about how market for goods and services function and how income is generated and distributed.

**PSO3** To give students in depth knowledge into special fields of choice like agricultural economics, industrial economics, financial market, development economics, international trade, urban economics econometrics, mathematical economics etc.

**PSO4** To make students familiar with economic theories and their relevance, econometrics, quantitative techniques and applied research in a wide variety of fields within economics.

**PSO5** Students would know how the economy is influenced by economic policy, technological advances and demographic conditions

**PAPER - I**

**MICRO ECONOMIC THEORY**

**Unit – I**

Nature of Economics, Concepts of Equilibrium – Partial and General, Static, Comparative Static and Dynamic Analysis, Relevance of Economic theories. Theory of demand and supply, Elasticity of demand and supply

**Unit – II**

Utility analysis—cardinal and ordinal approaches, indifference curve approach - Slutsky Equation, consumer surplus. Theory of Revealed Preference. Consumer Behaviour under uncertainty.

**Unit – III**

Production function, Linear Production function, Cobb-Douglas and CES Production function. Optimum factor combination. Concepts of cost of production and revenue. Linear programming (graphic method only). Equilibrium of the firm and industry in Perfect Competition.

**Unit – IV**

Equilibrium of the Firm and industry under Monopoly, Measurement of the degree of Monopoly, Bilateral Monopoly. Product differentiation and Monopolistic Competition, Non price competition. Simple and Differentiated Oligopoly, Demand and cost function of an individual firm under Oligopoly. Kinky demand curve, Cournot, Bertrand, Edgeworth and Chamberlin Models.

**Unit – V**

Factor demand and factor supply, factor price determination under Perfect and imperfect competition. Modern Theories related to the determination of Rent, Wages, Interest and Profit. Marshall's four propositions of derived demand. Euler's theorem. Elasticity of substitution of factors.

Pareto optimality conditions for welfare. New welfare Economics, Social welfare function, compensation criteria. Theory of the second best.

**Course Outcomes:**

### **The course will**

- familiarize with the basic concepts and principles of Economics
- explain the economic theories- origin, relevance and importance
- illustrate the common concepts of demand and supply used in day-to-day lives of individuals
- elaborate the modern economic theories and know about the recent economic developments of the world
- demonstrate knowledge of laws of supply and demand and equilibrium.
- Students will be familiar about a clear picture of circular flow model.

## **PAPER - II MACRO ECONOMIC THEORY**

### **Unit – I**

Nature of Macroeconomics. Fallacy of composition, Basic Concepts of Macroeconomic models (Types), macroeconomics policy objectives, instrument and constraints, the major school of macro-economics theory.

The concepts of National Income, System of National Income Accounting: Matrix Representation of national income. Double entry system.

National Income Deflator. National Income of India and recent trends.

### **Unit – II**

Classical model of Determination of level of output, Employment, Prices, Rate of Interest and wage rates, Criticism against classical theory. Keynesian Model of Determination of Income : Partial Equilibrium analysis and General Equilibrium analysis (combination of product market and money market)

### **Unit – III**

Multiplier analysis in four sector economy and Balanced Budget multiplier. Business Cycle - Hicks and Samuelson models. Theories of consumption functions.

### **Unit – IV**

The Demand for and Supply of Money: The traditional version of quantity theory of Money. Monetarist reformulation of quantity theory of Money and its empirical evidences. Tobin and Baumol's Analysis.

### **Unit – V**

Stabilisation policies : Objectives and tools of Monetary and Fiscal Policy. The choices of targets : Intermediate and final targets. The monetarists and Keynesian controversy. The Transmission Mechanism. Fleming Mundell open Economy Model.

### **Course Outcomes:**

- To study the concept of macro Economics
- To study the various schools, models and objectives of macro Economics
- To study the contemporary policies to be able to apply to the current economic problems

## **PAPER - III ECONOMIC STATISTICS AND MATHEMATICS**

### **Unit - I**

Nature and use of statistical analysis in organizing data and testing hypothesis, Sampling v/s Census Methods, Simple random sampling. Stratified and multistage sampling. Arithmetic, Geometric and Harmonic Mean, Mode, Median and Quartile.

### **Unit - II**

Measure of dispersion, quartile deviation, Mean deviation and standard deviation. Skew ness, introduction to Binomial and Normal distributions, Correlation and Regression, and elementary introduction to Multiple Linear Regression (Students are not expected to compute Multiple Regression Coefficients but Only to Understand the nature and uses of Regression and its coefficients ).

### **Unit - III**

Interpolation - Binomial Expansion, Lagrange's and Newton's methods. Association of attributes (between two attributes only) and the Chi square Test. Index numbers.

### **Unit - IV**

Analysis of Time Series, Theory of Probability- Concepts, Classical probability, mathematical derivation, Large Sample Test, Small sample based on t, f and z test. Acquaintance with the following bodies of data and their limitations in India :(1) Agriculture : Area, Yield and Prices of Crops. (2) Industry: Annual

### **Unit - V**

Functions and curves in economic theory including lines, parabola and hyperbola and rectangular hyperbola as used in economics (main properties only). Differentiation and integration of functions of single variable. (Students are not expected to know the proof of relevant theorems but only to perform operations on simple functions).

Partial derivatives of simple functions of two variable. Maxima and Minima of functions of one variable (without constraints). Addition, subtraction, multiplication of matrices and inverse of matrices, Determinants, Cramer's rule.

### **Course Outcomes:**

- Students would learn the common statistical techniques and terminologies used in the course and understand the concept of a frequency distribution for sample data, and able to summarise the distribution by diagrams and statistics.
- study the theory of probability and its application in various field
- learn the basic mathematical tools for data analysis

## **PAPER – IV PUBLIC FINANCE**

### **Unit – I**

Nature and scope of Public Finance, Role of Government in the economy and scope of fiscal action. Optimal budgeting. Theory of public expenditure on social goods. Effects of public expenditure on production and distribution. Economic and functional classifications of government budget current General Budget Major trends in public expenditure in India (Growth and composition).

### **Unit – II**

Public Revenue - Taxation - Canons of Taxation, Justice in Taxation, equi-absolute equi-proportional and equi-marginal sacrifice principle. The incidence of taxation under Monopoly and Perfect competition. Effects of commodity taxation on production via relative price and resource allocation. Effect of direct taxation on production via labour supply and saving rate. Effects of direct taxation on distribution of income and wealth. Measurement of the degree of progression in taxes. Overall progressiveness of the whole tax system.

### **Unit – III**

Salient features of the Indian tax system. Major taxes, main trends in the revenues of the Central and State Governments in India. Major changes in the tax structure of a developing economy with special reference to India. Non-tax revenues. Profits from Public Enterprises.

### **Unit – IV**

Theory of public debt. Economic effects of large public debt. Loans and savings as source of finance for development Internal and external public debt of India. Theory of Federal Finance. Financial relations between the central and state Governments in India. Major criteria for allocation of central transfers in the Report of the Finance Commission. N.D.C. formula for Plan Allocation, Main recommendations of latest Finance Commission.

### **Unit – V**

Fiscal policy for developing economies: Arguments and prospects for resource mobilization by direct and indirect taxation. Borrowing as means of financing. Recent fiscal policy of India. Salient feature of State Finance in Rajasthan. Growth and distribution of revenue and expenditure under major economic heads in the State Budgets.

### **Course Outcomes:**

- To study the concepts and theories of public finance, revenue and expenditure
- To know the policies of the government concerning public finance
- To enable students to apply theories to contemporary economic issues of the day
- To help students recognize the role of ethics in economic decisions

## **M.A. FINAL ECONOMICS EXAMINATION**

### **PAPER -V**

### **DEVELOPMENTAL ECONOMICS AND INDIAN PLANNING**

### **Unit – I**

Economic growth, economic development and sustainable development. Major Growth factors - Factor inputs, factor productivity and import substitution, Denisons's Estimates. Human capital formation and the role of education. The role of information technology in development.

### **Unit – II**

Growth models: Classical - Ricardo, Marx, Neo-classical - Harrod, Domar and Solow

### **Unit – III**

Balanced v/s unbalanced growth. Dual economy models. Planning model: Mahalanoibis model. Two gap model. Planning: Objectives, resource constraints - financial resources and saving rate.

### **Unit – IV**

Foreign Exchange balance of payments. Plan formulation techniques-capital output ratios, projection of demand, input output model, material balances. Project selection techniques, Cost-benefit analysis-appraisal criteria accounting prices.

### **Unit – V**

Planning process and plan implementation with reference to India. Plan Allocation to States, Gadgil Formula. Instruments for Plan implementation in a mixed economy. Indian Planning and Performance of the Indian economy since 1951. Role of National Institution for Transforming India (NITI) in present scenario. Agricultural, Industrial and aggregate income growth rates. Saving rate and capital formation. Poverty and Inequality, Unemployment in India, Planning and Problems of development in Rajasthan.

#### **Course Outcomes:**

- To help students develop an acumen for developmental planning
- To explore diverse dimension and measures of development, as well as the application of microeconomic analysis to issues of development in poor countries, including the study of household decisions and the analysis of institutions and norms influencing development.

## **PAPER – VI**

### **INTERNATIONAL ECONOMICS**

#### **Unit – I**

The Theory of Free Trade, Comparative advantages theory: Ricardo, Haberler and Heckscher- Ohlin, Factor-Price equalization. Effects of growth on production, consumption and terms of trade. Empirical verification of trade models (Metzler Paradox).

#### **Unit – II**

New theories about determinations of trade in human capital, product cycle, and influence of technology. Reciprocal demand and offer curves. General equilibrium of production, consumption and trade, terms of trade and gains from trade. Reasons for rejection of free trade infant industry, market distortions, external economies and balance of payment arguments.

#### **Unit – III**

Trade restrictions: tariff, economic integration and concept of custom union Trade problems of developing countries-commodity price, nontariff barriers to trade, technology transfer. Regional economic cooperation among developing countries. Indian trade policy and problems.

#### **Unit – IV**

Balance of payments. Determination of exchange rate. fixed and flexible exchange rates. Balance of payments and national income. Multiplier and backwash effects. Price effects of exchange rate changes-elasticity approach and absorption approach. Exchange control in India.

#### **Unit – V**

International trade institutions, GATT, WTO and UNCTAD.

Capital movements-short term and long term. Eurocurrency markets Trans-national corporations in transfer of capital and technology. Role of World Bank.

#### **Course Outcomes:**

##### **The students will**

- Learn the intricacies of international trade and business
- Learn the law and policies of international business
- Familiarize with the international trade institutions
- Prepare for the international market as active analysts and economists

**PAPER VII  
ADVANCE INDIAN ECONOMY**

**Unit - I**

Demographic aspects: Population growth, labour force, occupational distribution, poverty, unemployment issues in measurement and policy options. Agriculture: Institutional changes, technological changes, Farm price & policy, Agriculture finance - Progress and emerging trends. Food situation and food policy.

**Unit - II**

Industry: Recent trends in industrial growth. Recent changes in industrial policy and licensing policy, Concentration of economic power in the private sector, MRTP Act, Public Sector industries growth and problems of pricing and management. Role of public financial. Institutions in industrial finance, role of MNCs in developing Indian Industries. Impact of MNCs on Indian economy. Swadeshi views on Indian economic development.

**Unit - III**

Foreign Trade: main trends in imports and exports. Foreign trade policy import substitution and export promotion. India's balance of payments position in recent years. GATT agreement relating to trade and its impact on Indian Economy. WTO and India. Monetary and Banking Trends: Problems of Inflation, Black Money Monetary and Credit Policies.

**Unit- IV**

Fiscal development: Trends in taxation and public expenditure at the central level. Centre-State financial relations. Resource mobilization for planning role of taxation, Borrowing, Deficit financing and administered prices for plan financing. Long term fiscal policy for India. Indian Planning: Strategy and Objectives. Development Policies, saving and investment rates. Foreign capital. Technology transfer to India.

**Unit- V**

The institutional framework of Indian economy and its structural changes during the plan period. Economic growth, during plan period. Recent Economic Reforms in India. National Income: Growth and Composition, Regional distribution, Income in inequalities in India, Concentration ratios, Policy for improving income and wealth distribution in India.

**Course Outcomes**

- Familiarize the students with recent trends in industrial growth
- Prepare the students with the upcoming challenges in economic development
- Update the students with trends in taxation and expenditures of government
- Prepare the students with the intricacies and patterns of economic growth of India
- Acquaint the students with economic reforms

**OPTIONAL PAPERS**

**Two Papers one from group A and the other from group B**

**Group A (IV)**

**Banking System**

**Unit – I**

The Financial system, meaning, structure and importance. Indicators of financial development. Fundamental banking principles. Principles of Assets and Liability Management. Structure and Analysis of a specimen balance sheet of commercial bank. Structure of commercial banks. Unit, Branch, Mixed and consortium banking. Economics of deposit creation.

**Unit – II**

Inter-relationship among money supply, output, prices and national income. Money supply determinants: Money Multiplier and High Powered Money. Role of Central Bank in Developed and Developing Countries Techniques and problems of Monetary Management. Monetary Policy in Developing countries with special reference to India. Choosing between money supply and interest rate monetary policy. Money and capital market in developed and developing economics.

**Unit – III**

International financial markets: features, financial instruments. Working of London Money Market, New York Money Market. Euro currency and Asian Dollar Market. Rate of Interest, Security Prices and Yields. Level and structure of interest rates. Regional Financial Institutions -Objectives, Achievements and Problems of Asian Development and Inter-American Development Bank. The role of IMF and World Bank in developing countries.

#### **Unit – IV**

Indian Banking System as on the eve of Bank Nationalization. Structure and Development of commercial Banking in India Since 1969. Branch Expansion Programme and Policy. Deposit Mobilisation and sectoral allocation of Bank credit. Concept of social and mass banking: Priority sector advances and advances to neglected sections. Diversification of banking business. Productivity of Banking Sector. Regional disparities in commercial banking development. Internationalization of Indian Banking - Deregulation, Liberalization, competition and Modern Technology. Problems and Challenges of Commercial Banks of India.

#### **Unit – V**

Financial Sector Reforms in India. Rural Banking - An overview of the progress of main credit co-operative institutions. Regional Rural Banks and its importance in changing environment. NABARD, Structure of Development Banks in India. Overall Achievements and shortcomings of term lending with special reference to IFCI, IDBI, UTI and LIC. Money and capital markets in India. Main features. Instruments and recent trends. Overall Review of the present regulatory and supervisory system and need for its strengthening in future Banking in Rajasthan.

#### **Course Outcomes: The students will**

- Learn the financial systems, structures and policies
- Be able to understand the functioning of the Indian system of banking vis-à-vis the international system
- View the current and prospective systems of banking in Rajasthan
- Study the international financial markets

#### **Group A (V)**

### **RESEARCH METHODOLOGY AND SURVEY TECHNIQUES**

#### **Unit - I**

Sample survey : Principles of sample survey, Stages of a survey, practical problems in planning executions and analysis of survey. Random number tables and their use in simple random and probability proportional to size selection. Expectation, concept of sampling errors and standard errors. Non-sampling errors. Mechanical handling of data coning.

#### **Unit - II**

Critical study of the sample design and questionnaires of the NS consumer expenditure survey, the Rural Credit Survey and the Annual Survey of Industries. Sampling design : random sampling, with replacement and without replacement

#### **Unit - III**

Stratified sampling. Two stage sampling, Estimation of mean and standard errors. proportional and optimal and Neyman's allocation. Relative efficiency of WR and WTR, SRS and stratified sampling, systematic sampling, cluster sampling cost functions.

#### **Unit - IV**

Tests of significance - large sampling test for mean proportions and

$\sigma^2$  variance. Small sample test based on  $\psi$ , t, F and Z distribution analysis and F distribution analysis of variance-one way and two way classification.

#### **Unit - V**

Regression analysis with one and two explanatory variables. Multiplicative and additive models, Growth Equations, Estimation of regression parameter and their standard errors. Concept of multi Co-linearity and autocorrelation. Interpretation of estimated structural equation with all the summary statistics viz. standard errors and the coefficient of determination. The problem of curve fitting. Fitting of linear, exponential and parabolic trend curves.

#### **Course Outcomes: The students will**

- Learn the research tools and techniques
- Learn the sampling methods for scientific research
- Familiarize with the surveys, questionnaires and their correct techniques

#### **GROUP B(ii)**

### **ENVIRONMENTAL ECONOMICS**

#### **Unit - I**

Fundamentals of Environmental Economics - Ecosystems Definition and role of Economics. Scope of Environmental Economics. Basic Theory of Environmental Economics. Environmental Quality as a public good. Environmental problems in developed and developing economies.

#### **Unit - II**

Natural Resources. Economies and conservation of natural resources. Environmental Pollution - Types of pollution. Air Pollution: Atmosphere, types of air pollutants. Sources of air pollution, Effects of air pollution on vegetation agriculture, forest, animal, social and human being. Global consequences of air pollution, Noise, Radiation and Space Pollution.

#### **Unit - III**

Water Pollution. Source of water pollutants, industrial and agriculture pollutants. Effects of water pollution on agriculture, vegetation, animals and human being. Waste water treatments. Impact and use, Global Polluter, Impact of pesticides and Fertilizers on environment and health. Impact of air, land and water pollution agriculture. Agriculture without pollution.

#### **Unit - IV**

Important concepts and issues in environmental protection, Cost benefit Analysis, the Environmental costs of economic growth. Limits to growth, environmental issue in developed and developing Economies. The concept of Sustainable development.

#### **Unit - V**

Indian Philosophy of sustainable development Views of Ancient Indian Thinkers, Jain Philosophy, Gandhian Philosophy and Deen Dayal Upadhyay's concept of Ekatma Arthniti. sustainable Development strategies for agriculture, industry, natural resources, deserts energy production and fisheries. Brief study of international organizations in the field of Environment and Development - World Commission of Environment and Development (WCED), World Bank and World Wide Fund (WWF.) Environmental Policy of Govt. of India and Rajasthan.

#### **Course Outcomes:**

The students will

- Learn the basic concepts and theories of environmental economics
- Become aware of the urgency of environmental preservation
- Connect to the diverse views on sustainable development
- Understand the issues and challenges of economic and environment development

### **Group B (iv)**

#### **History of Economic Thought**

##### **Unit - I**

Malthus theory of population and theory of under consumption. Mercantilism, Physiocrates - Quesnay's Teblleau Economique - Concept of surplus growth (theory - Taxation and role of government). Classical school. Adam Smith : The invisible hand doctrine, Wealth of Nation, Laissez faire, labour profits and wages, modern revival of Adam Smith - critiques of Adam Smith.

##### **Unit - II**

Critics of the classical school Sismondi, List and the Nationalist ,school. Restatement of the classical positions, senior and the four postulates. J.S. Mill - Four proposition and capital. Demand and supply bifurcation. The wage fund. Rehabilitation by Caireness stationary state version-non- competing groups. Evolution of socialist thought - Utopian, Socialism, Saint Simon Owen Blane Fourier, Proudhon. Scientific Socialist.

##### **Unit - III**

Karl Marx - Effort at scientific socialism organic composition of capital. Breakdown of capitalism- Reserve army of labour - critiques of Marx. Modern revival of Marx in Economics. The German Historical School and the development of Marginalism. The Neo- Classical School Marshall. Twentieth century economic thought,- main features only, The rise of Keynesianism, the rise of Mathematical Economics. Dynamics and Econometrics, Critical evaluation of the development of economic thought.

##### **Unit - IV**

Economic ideas of ancient - Indian thinkers - Manu, Shukra and Kaultiya.

Economic Thoughts of Dada Bhai Naroji, Mahadev Govind Ranade and Gopal Krishan Gokhale.

Economic Thinking of R.C. Dutt., M.N. Roy.

##### **Unit - V**

Economic Ideas of Mahatma Gandhi, Jawahar Lal Nehru, Deen

Dayal Upadhyaya, V.K.R.V. Rao, B.R. Ambedkar. Major Economic Research Work of J.K. Mehta, Raj Krishna, Amartya Sen and P.R Brahman.

#### **Course Outcomes: the students will**

- Study the ideas and theories of ancient and contemporary thinkers
- Develop an acumen t critically evaluate the economic theories and concepts
- Be able to make a comparative study of the Indian economists and the western thinkers