



**MODIFIED CBCS CURRICULUM OF
ECONOMICS HONOURS PROGRAMME**

SUBJECT CODE = 03

FOR UNDER GRADUATE COURSES UNDER RANCHI UNIVERSITY



Implemented from
Academic Session 2017-2020 & 2018-2021

COURSES OF STUDY FOR **GENERIC ELECTIVE 'B. A. Hons'** PROGRAMME IN
"ECONOMICS"

SEMESTER I**GENERIC ELECTIVE****1 Paper****Total 100 x 1 = 100 Marks****I. GENERIC ELECTIVE (GE 1)**

(Credits: Theory-05, Tutorial-01)

- All Four Generic Papers (One paper to be studied in each semester) of Economics to be studied by the Students of **Other than Economics Honours**.
- Students of **Economics Honours** must Refer Content from the **Syllabus of Opted Generic Elective Subject**.

Marks : 100 (ESE 3Hrs) =100**Pass Marks Th ESE = 40***Instruction to Question Setter for**End Semester Examination (ESE):*

*There will be two group of questions. **Group A is compulsory** and will contain three questions. **Question No.1 will be very short answer type** consisting of ten questions of 1 mark each. **Question No.2& 3 will be short answer type** of 5 marks. **Group B will contain descriptive type** six questions of 20 marks each, out of which any four are to answer.*

Note: There may be subdivisions in each question asked in Theory Examinations.

PRINCIPALS OF MICROECONOMICS**Theory: 75 Lectures; Tutorial:15 Lectures****Course Description**

This Course intends to expose the student to the basic principles in Microeconomic Theory and illustrate with applications.

Course Outline**1. Introduction**

- a) Problem of scarcity and choice: scarcity, choice and opportunity cost; Production possibility frontier; economic systems.
- b) Demand and supply: law of demand, determinants of demand, shifts of Demand versus movements along a demand curve, market demand, and law of supply, Determinants of supply, shifts of supply versus movements along a supply Curve, market supply, and market equilibrium.
- c) Consumer surplus and producer surplus.
- d) Elasticity: price elasticity of demand, calculation of elasticity, determinants of price elasticity and other elasticities.

2. Consumer Theory

a) Budget constraint, concept of utility, diminishing marginal utility, Diamond Water paradox, income and substitution effects; consumer choice: indifference Curves, derivation of demand curve from indifference curve and budget constraint.

3. Production and Costs

a) Production: behavior of profit maximizing firms, production process, Production functions, law of variable proportions, choice of technology, isoquant and isocost lines, cost minimizing equilibrium condition.

b) Cost: costs in the short run, costs in the long run, revenue and Profit maximizations, minimizing losses, short run industry supply curve, Economies and diseconomies of scale, long run adjustments.

4. Perfect Competition —

a) Assumptions: theory of a firm under perfect competition, demand and Revenue; equilibrium of the firm in the short run and long run; long Run industry supply curve: increasing, decreasing and constant cost Industries.

Basic Readings:

- Case Karl E. & Ray C. Fair, Principles of Economics, Pearson Education, inc., 8th edition, and 2007.
 - Hal R. Varian, Intermediate Microeconomics, a Modern 8th edition, W.W. Norton and Company/Affiliated East-West Press (India), 2010. The Workbook by Varian and Bergstrom could be used for problems.
 - C.Snyder and W. Nicholson, Fundamentals of Microeconomics, engage Learning (India). 2010.
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SEMESTER II**GENERIC ELECTIVE****1 Paper****Total 100 x 1 = 100 Marks**

(Credits: Theory-05, Tutorial-01)

II. GENERIC ELECTIVE (GE 2)**Marks : 100 (ESE 3Hrs) =100****Pass Marks Th ESE = 40*****Instruction to Question Setter for******End Semester Examination (ESE):***

There will be two group of questions. Group A is compulsory and will contain three questions. Question No.1 will be very short answer type consisting of ten questions of 1 mark each. Question No.2& 3 will be short answer type of 5 marks. Group B will contain descriptive type six questions of 20 marks each, out of which any four are to answer.

Note: There may be subdivisions in each question asked in Theory Examinations.

PRINCIPALS OF MACROECONOMICS Theory: 75 Lectures; Tutorial:15 Lectures**Course Description**

This course introduces the students of the basic concepts in Macroeconomics. Macroeconomics deals with the aggregate economy. In this course, the students are introduced the definition, measurement of the macroeconomic variables like GDP, consumption savings, investment and balance of payments. The course also discusses various theories of determining GDP in the short run.

Course Outline**1. Introduction**

What is macroeconomics? Macroeconomic issues in an economy.

2. National Income Accounting

Concepts of GDP, GNP, NDP and NNP: Measurement of national income, its limitation, nominal and real income.

3. Keynesian theory of consumption and investment.

Consumption function- meaning factors influencing consumption spending, concept of MPC, APC, MPS and APS, Investment function-meaning and factors affecting investment, Marginal efficiency of capital autonomous and induced investment, concept of multiplier.

4. Money in Modern Economy

Concept of money in modern economy and its functions; quantity theory money, cash transaction and cash balance approach, credit creation.

Basic Readings:

- Richard T.Froyen, Macroeconomics Theories and Policies, Published by Dorling Kindersley(India) 8th Ed.
- N. Gregory Mankiw, Macroeconomics, Worth publishers, 7th edition, 2010.
- Olivier Blanchard, Macroeconomics, Pearson Education, Inc., 5th edition, 2009.
- Steven M. Sheffrin, Rational expectations, Cambridge University Press, 2nd edition

SEMESTER III**GENERIC ELECTIVE****1 Paper****Total 100 x 1 = 100 Marks**

(Credits: Theory-05, Tutorial-01)

III. GENERIC ELECTIVE (GE 3)**Marks : 100 (ESE 3Hrs) =100****Pass Marks Th ESE = 40*****Instruction to Question Setter for******End Semester Examination (ESE):***

There will be two group of questions. Group A is compulsory and will contain three questions. Question No.1 will be very short answer type consisting of ten questions of 1 mark each. Question No.2& 3 will be short answer type of 5 marks. Group B will contain descriptive type six questions of 20 marks each, out of which any four are to answer.

Note: There may be subdivisions in each question asked in Theory Examinations.

INDIAN ECONOMY**Theory: 75 Lectures; Tutorial:15 Lectures****Course Description**

Using appropriate analytical frameworks, this course reviews major trends in economic indicators and policy debates in India in the post-Independence period with particular emphasis on paradigm shifts and turning points.

Course Outline**1. Economic Development since Independence**

Major features of the economy at independence; growth and development under different policy regimes-goals, constraints, institutions and policy framework; an assessment of performance-sustainability and regional contrasts; structural change, savings and investment.

2. Population and Human Development

Demographic trends and issues; education; health and malnutrition

3. Growth and Distribution

Trends and policies in poverty; inequality and unemployment

4 .Agriculture (Policies and Performance)

Growth, Productivity, agrarian structure and technology, capital formation, pricing and procurement.

5. Industry (Policies and Performance)

Growth, productivity, diversification, small scale Industries, competition policy, foreign investment, Industrial Policy.

Basic Readings

- Jean Dreze and Amartya Sen, 2013. *An Uncertain Glory: India and its Contradictions*, Princeton University Press.
 - Pulapre Balakrishna, 2007, *The Recovery of India: Economic Growth in the Nehru Era*, Economic and Political Weekly November.
 - Rakesh Mohan, 2008,- *Growth Record of Indian Economy: 1950-2008. A Story of Sustained Savings and Investment*, Economic and Political Weekly, May.
 - S.L. Shetty, 2007, *India's Savings Performance since the Advent of Planning*, in K.L. Krishna and A. Vaidyanathan, editors, *Institutions and Markets in India's Development*.
 - Hlimanshu, 2010-*Towards New Poverty Lines for India*, Economics and Political Weekly, January.
 - Jean Dreze and Angus Deaton, 2009, - *Food and Nutrition in India : Facts and Interpretations*, Economic and Political Weekly, February.
 - Himanshu, 2011-*Employment Trends in India; A Re-examinations*, Economic and Political Weekly September.
 - Rama Baru et val, 2010-*Inequities in Access to Health Services in India: Caste, Class and Region*, Economic and Political Weekly, September.
 - Geeta G. Kingdon, 2007, - *The Progress of School Education in India*, Oxforx Review of Economic Policy.
 - J.B.G.Tilak 2007;: *Post Elementary Education, Poverty and Development in India*, International Journal of Educational Development .
 - T. Dyson, 2008, - *India's Demographic Transition and its Consequences for Development* in Uma Kapila, editor, *Indian Economic since Independence*, 19th edition, Academic Foundation.
 - Kaushik Basu, 2009,-*China and India; Idiosyncratic Paths to High Growth*, Economic and Political Weekly, September.
 - K. James, 2008 — *Glorifying Malthus : Current Debate on Demographic Dividend in India* Economic and Political Weekly, June.
 - Reetika Khera, 2011-*India's Public Distribution System: Utilization and Impact* Journal of Development Studies.
 - Aniruddha Krishna and Devendra bajpai, 2011-*Lineal Spread and Radial Dissipation: Experiencing Growth in Rural India, 1992-2005*, Economic and Political Weekly September.
 - Kaushik Basu and A. Maertens, eds, 2013, *Oxford Companion to Economics*. Oxford University Press.
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SEMESTER IV**GENERIC ELECTIVE****1 Paper****Total 100 x 1 = 100 Marks**

(Credits: Theory-05, Tutorial-01)

IV. GENERIC ELECTIVE (GE 4)**Marks : 100 (ESE 3Hrs) =100****Pass Marks Th ESE = 40*****Instruction to Question Setter for******End Semester Examination (ESE):***

There will be two group of questions. Group A is compulsory and will contain three questions. Question No.1 will be very short answer type consisting of ten questions of 1 mark each. Question No.2& 3 will be short answer type of 5 marks.

Group B will contain descriptive type six questions of 20 marks each, out of which any four are to answer.

Note: There may be subdivisions in each question asked in Theory Examinations.

MONEY BANKING AND PUBLIC FINANCE**Theory: 75 Lectures; Tutorial:15 Lectures****Course Description**

This course exposes students to the theory and functioning of the monetary and financial sectors of the economy. It highlights the organization, structure and role of financial markets and institutions. It also discusses interest rates, monetary management and instruments of monetary control. Financial and banking sector reforms and monetary policy with special reference to India are also covered.

Course Outline**1. Money**

Concept, functions, measurement; theories of money supply and determination.

2. Financial Institutions, Markets, Instruments and Financial Innovations

(a) Role of financial markets and institutions; financial crisis.

(b) Money and capital markets: organization, structure and reforms in India;

3. Interest Rates

Determination; source of interest rate differentials

4. Indian banking system

Changing role and structure; banking sector reforms.

5. Central Banking and Monetary Policy

Functions, balance sheet, goals, targets, indicators and instruments of monetary control; monetary management in an open economy; current monetary policy of India.

6. Theory of Taxation

Ability to pay, Benefit principle, Canons of taxation, shifting, Incidence and of Taxes.

7. Monetary and Fiscal policies, Direct-Tax, Indirect-Tax,(GST).Goods and Services Tax, Analysis of Budget.

Basic Readings:

- F.S. Mishkin and S.G. Eakins, Financial Markets and Institutions, Pearson Education, 6th edition, 2009.
- F.J. Fabozzi, F. Modigliani, F.J. Jones, M.G. Ferri, Foundations of Financial Markets and Institutions, Pearson Education, 3rd Edition, 2009.
- L.M. Bhole and J. Mahukud, Financial Institutions and markets, Tata McGraw Hill, 5th edition, 2011.
- M.Y. Khan Indian Financial System, Tata McGraw Hill, 7th edition, 2011.
- Various latest issues of RBI Bulletins, Annual reports, Reports on Currency and Finance and reports of the working group, IMF Staff papers.