COURSES OF STUDY FOR B.A. and B.A. HONS ECONOMICS STUDENTS

Titles of the papers and scheme of examination for B.A. and B.A. Hons. courses of study in economics under plus three system in H.P. University are given below:

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Note:
1. Candidate may take any subject as a subsidiary subject in B.A. (Hons.) according to his/her choice.
2. Papers I, IV and VII are common to B.A. (Pass) and B.A. (Hons.) economics students.

The syllabi of B.A. Pass course in four units and included certain latest relevant topics. The committee unanimously decided that the question paper should have nine questions, all carrying equal marks. The first question shall be compulsory, spread over the whole syllabus. Further, the first question will have eight short answer questions carrying two marks each. The remaining eight questions of sixteen marks each, will be framed as follows:
B.A. (Pass & Hons.) Economics, Part-I

Paper-I MICROECONOMICS AND INDIAN ECONOMY

Max. Marks: 80
Time: 3 Hours

Unit-I
Nature and scope of economics: Subject-matter, Economics as science and art, Micro and Macro Economics, Concept of equilibrium. Demand analysis: Demand, Individual and market. Law of demand, Change in demand, Marshallian utility and Indifference curve analysis and their comparisons. Concept of consumer surplus; Elasticity of demand; meaning and measurement of price elasticity income elasticity, cross elasticity.

Unit-II
Theory of production: Production function: Law of returns to scale; Law of variable proportions; Internal and external economies and diseconomies, Elementary idea of isoquants. . Theory of cost: Explicit and implicit costs; Concept of opportunity cost; Short period and long period cost curves; Market forms and behaviour of total average and marginal revenues.

Unit-III
Market forms: Perfect competition: assumptions; price determination, importance of time element, equilibrium of firm and industry in market period, short run and long run; Short period and Long period supply curves. Monopoly: meaning; equilibrium of the monopolist in short and long run, Comparison of perfect competition and monopoly; Price discrimination: meaning, conditions and equilibrium in discriminating monopoly; Monopolistic competition: meaning, product differentiation and demon curve, firm and group equilibrium; Selling costs, determination of equilibrium level.

Unit-IV
Basic features, Problems and Planning in India; Characteristics of Indian Economy; Problems of Poverty; Inequalities and Unemployment. Objectives of Planning in India, achievements and failures. New Economic Reforms- A basic Idea.

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Note:
Nine questions in all will be set, out of which the candidates will be required to attempt five questions. Each question will carry 16 marks. The first question will be compulsory and it will include eight short answer type questions, spread over all the four units. The remaining eight questions will include two questions from each of the four units and the candidates would be required to attempt one question from each unit.

R.G. Lipsey: Introduction to Positive Economics.


Allen J. Beaff: Microeconomic Analysis.


Robert Awh: Microeconomics.

P.A. Samuelson: Economics.

Taro Yamane (1972), Mathematics for Economists. Prentice Hall of India.


R.S. Soni (1989), Business Mathematics (with Applications in Business & Economics).


B.C. Mehta and M.G.K. Madnani, Basic Mathematics.


D.R. Gadgil (1972), Planning and Policy in India. Orient-Longman Peona.

THODS FOR ECONOMICS

Max. Marks: 40
Time: 3 Hours

Unit-I
Functions: Sets, relations and functions; Functions and diagrams in economic analysis; Elementary analytical geometry- straight line, circle, parabola, hyperbola and other curves; Polynomial, exponential, logarithmic and trigonometric functions; geometric and arithmetic progression.

Unit-II
Matrices: Elementary operations-Determinants; Computation of the inverse matrix; linear simultaneous equations-Cramer's rule for solution. (All discussions in terms of matrices of order 2&3).

Unit-III
Derivatives: Limits and continuity of a function; Derivative and its interpretation; Partial and total derivatives. The technique of differentiation; Economic applications of the derivatives; Concave set and concave functions; maxima and minima and constraint maximization and minimization.

Unit- IV
Integration; Cost and revenue functions; linear inequalities; Linear programming and duality; Simplex method; applications of linear programming.

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BOOKS RECOMMENDED:
G. C. Archiblad and R.G. Lipsey: An Introduction to a Mathematical Treatment of Economics (3\textsuperscript{rd} ed.) Chs. 3-11, 15.

R.G.D. Allen, Mathematical Analysis for economist, Chs. 3,5,6,8,11,12,14.
A.C. Chiang, Fundamental Mehtods of Mathematical Economics (2\textsuperscript{nd} edn.), Chs, 2,4,5,6,7,9, and 12.

Tarc Yamane, Mathematics for Economists. Prentice Hall of India.

ECONOMIC THEORY

Max. Marks: 40
Time: 3 Hours

Unit-I
Factor Pricing and Distribution: Theories; Determination of wages, interest and profit.

Unit-II
General Equilibrium: Concepts of Partial and general equilibrium; Equilibrium of exchange; Edgeworth box diagram.

Unit-III
Linear Models; Elementary input-output analysis; Introduction to linear programming and simple applications.

Unit-IV
Welfare Economics: Pareto optimality; limitations of the Pareto criterion; Compensation Principle (Kaldor-Hicks, Scitovsky criteria); Social Welfare function; Competitive equilibrium and Pareto optimality; Market failures.

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BOOKS RECOMMENDED:
R.G. Lipsey, An Introduction to Positive Economics.
P.A. Semuelson, Economics (latest edition)
B. Soderston, International Economics, Part I.
A Koutsoyiannis, Modern Microeconomics, 2nd edition, Chs. 20 (Secs,. I-III), 21 (secs, 1A, III), 23 (Secs A-D).
Paper-Ec IV: MACROECONOMICS AND INTERNATIONAL TRADE

Max. Marks : 80
Time: 3 Hours

Unit-I


Unit-II

Consumption function, Saving and investment functions and equality; Investment demand schedule and factors affecting investment decisions; Investment multiplier; Marginal Efficiency of Capital, Business expectations and secular stagnation, Concept of accelerator, Applicability of Keynesian approach to developing countries.

Unit-III

Demand and supply of money; Alternative measures of money supply in India. Determination of the general level of prices; Quantity theory of money (Fishers, Cambridge and Keynes versions), Inflation: meaning, types, causes, consequences and polices to control.

Unit-IV

Inter-regional and inter-national trade; Comparative Advantage Theory; Heckcher-Ohlin theory; Gains from trade. Concept and components of exchange rate and balance of payment. Recant trade reforms in India.

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BOOKS RECOMMENDED:


E. Shapiro: macroeconomics.


M.L. Seth: Macro Economics.

M.C. Vaish: Monetary Theory.

Rudder Dutt and K.M.P. Sundharam: Indian Economy.


D. Dillars: Economics of J.M. Keynes.


Unit-I
Univariate frequency distributions: Measures of locations; The first four moments; measures of dispersion, skewness and kurtosis.

Unit-II
Bivariate frequency distribution: Correlation; Regression with one independent variable; Method of least squares; Simple analysis of attributes.

Unit-III
Sampling: Random sample; Concept of sampling distribution; Distribution of the sample mean; Concept of tests of significance; Tests of significance of the mean and the regression coefficient (only normal distribution to be used for the discussion of significance). Elementary Probability Theory including Addition and Multiplication Theorems.

Unit-IV
Index numbers: Concept of an index number; Laspeyre’s and Paasche’s indexes, factor and time reversal tests; Chain base index; Problems in the construction of index numbers. Time Series Analysis Objectives; Components of a time series; measurement of trend by moving averages; Linear and exponential growth curves; Measurement of seasonal variation.**********

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BOOKS RECOMMENDED:
P.H. Karnmel and M. Polasek, Applied Statistics for Economists (3rd Edn.), Chs. 5,6,7 (secs. 7.1-7.6), 10 (Secs. 10.1, 10.2, 10.4,) 10.5), 11,13.
M.R. Spiegel, Statistics.
B.A. (Hons.) Economics, Part-II
Unit I
Money: functions: alternative measures of money supply in India and their different components; Meaning and changing relative importance of each in India. High powered money; meaning and uses, sources of changes in its.

Unit II
Finance: role of finance in an economy; Kinds of finance; financial system; Components; Financial intermediaries, markets and instruments; Functions of each.

Unit III
Commercial banks: importance, function, balance sheet of bank: meaning and importance of the main liabilities and assets; Co-operative banking in India. Determination of money supply and total bank credit nominal and real.

Unit IV
Development banks and other non-bank financial institutions, main features; unregulated credit markets in India; main features. The Reserve Bank of India-functions: instruments of monetary and credit control. Main features of monetary policy in India since Independence. Fundamentals of Capital Market in India. Role of SEBI.

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BOOKS RECOMMENDED:


Reserve Bank of India, Functions and Working, 1970.

Banking Commission, Report, Ch. 17.
S.B. Gupta, Monetary Economics Chs. 1-10, 15-20.
Unit-I
Concept of development and under-development, Nature and characteristics of under-developed countries; Vicious circle of poverty Determinants and obstacles of growth; Recent questioning of the GNP growth of foundation and issues related to income distribution and poverty. Environmental costs of economic growth; Basic approaches to environmental policy. Objectives and dilemmas of economic policy.

Unit-II
Capital accumulations---rate and pattern of investment; level and structure of aggregate demand; Mobilisation of internal and external resources for financing investment. Problems of an open economy the role of international trade in the growth process. Problems and policies related to international trade in less developed countries. Limitation of the price mechanism and case for economic planning; the public sector as an instrument for policy intervention Issues in public sector pricing. Demographic factors of Indian population (size, Characteristics and growth rate): Theory of demographic transition; Population as a stimulant and obstacle to growth; problem of overpopulation; Strategies for controlling population growth.

Unit-III
Characteristics of employment and unemployment. Issues in employment policy. Skill formation, Employment and other implications of technology choice. Agricultural development and transformation in India since 1951; Green revolution; Causes of low agriculture productivity; Emerging trends in agriculture in the light of economic liberalization; Agricultural policy in India. Industries: Growth and problems of major industries; Problems of micro, small and medium industries; Role and growth of public sector in India; Industrial policy since 1991.

Unit-IV
Public Finance: Importance of public finance; Classification of taxes; Canons of taxation and characteristics of a good tax system; Shifting and incidence of taxation; Effects of taxation; Taxable capacity; Reason of growth of public expenditure; Cannons and effects of public expenditure on production and distribution; Public debt; its type, role, burden and methods of redemption Centre-State financial relations in India; Recommendations of the latest Finance Commission.

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A.P. Thirlwal, Growth and Development.

Keith B. Griffing and John Enos Planning Development.

H. Myint. The Economics of Developing countries.


D.N. Dwivedi (ed.). Readings in Indian Public Finance.


Question Bank in Economics: Association of India University, Delhi.
Unit-I
Major features of the economy at Independence, objectives of planned development and role of the state. Institutional framework: Patterns of asset-ownership in agriculture and industry: Policies for restructuring agrarian relations and for regulating concentration of economic powers.

Unit-II
Agriculture: Share of agriculture in national income and work force. Factors influencing productivity in agriculture: role of technology, institutional factors. Pattern of ownership and land reform (such as the size distribution of land and access to irrigation, credit and modern inputs) and price policy. Growth of agricultural output: A broad review.

Unit-III
Industry and Foreign Trade: constraints on growth arising from the structure of production and foreign trade and the strategy of import substitution-based industrialization. Public sector in India and its role in the growth process. Policies for regulating the pattern of investment in the private sector, Licensing and other direct controls, policies towards the small scale growth: trends since 1950. The export sector: performance and policies, implications for growth; the balance of payments.

Unit-IV
Resources: problems and instruments of mobilization of internal resources for the public sectors; external resources. A review of resource allocation across broad sectors: agriculture, industry and infrastructures. An assessment of Indian growth experience.

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BOOKS RECOMMENDED:
J. Bhagwati and P. Desai. Indian Planning for Industrialisation.
Pramit Chaudhuri. Indian Economy.
Pramit Chaudhuri (ed.). Aspects of Indian Economic Development. Ch. 3.


J.C. Sandesara (ed.). Indian Economy- Performance and prospects Ch. 27.


G.O.I. Five Year Plan documents.


V.M. Dandekar and N. Rath, Poverty in India, Indian School of Political Economy (1971), Ch. IV,V.


M. L. Dantwala.,. Future of Institutional Reform and Technological Change in Indian Agriculture Development,
Unit-I

Unit-II
Characteristic features of a capitalist economy. The accumulation process and technical change. Instability and crises. The role of the State. Capitalism and Planning.

Unit-III

Unit-IV
Classical ideas and the functioning of a socialist economy; Planning in theory and practice in socialist economy. The role of planning. Levels of decision-making and the question of centralisation Vs. decentralisation; Patterns of investment and choice of techniques.

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BOOKS RECOMMENDED:


Maurice Dobb, On Economic Theory and Socialism, Chs. III, C and XV.

J.A. Schumpeter, Capitalism, Socialism and Democracy, Chs. II, VI-VII.

K. Marx and F. Engels, Manifesto of the Communist Party, Sections I and II.-16-


M. Kelecki, Political Aspects of Full Employment in E.K. Hunt and J.G. Schwartz, (eds.) A
Critique of Economic Theory. (Also in M. Kalecki, the Last Phase in the Transformation of Capitalism).

L.O. Connor, The Meaning of Economic Imperialism in R.I. Rhodes ed. Imperialism and
Underdevelopment, a Reader.

P.A. Baran, the Political Economic of Growth, Chs. 3 and 4.

N. Kaldor, Capitalist. Evaluation in the light of Keynesian Economics, in Kaldor. Essays on
Economic Stability and Growth.

R.G. Edwards, Michael Reich and Thomas E. Weisskopf (ed.). The Capitalist System, A
Radical Analysis of American Society (Second edition, 1978), Ch. 12.1, Ch. 2.1, Ch. 4.3, 10.5.

A Nove. The Soviet Economic System. Ch. 2.4-6.


Oskar Lange, (ed.) Problems of Political Economy of Socialism.

Chs. 1-3. (Also in Lange, Papers in Economics and Sociology 1930-1960, Pp. 20-45, 85-
114).

Oskar Lange, On the Economic Theory of Socialism, (Sections I-V) in O. Lange and F.M.


Peter Nolan, Collectivization in China: Some Comparisons with the USSR in Journal of


J.G. Gurley, China’s Economy and the Maoist Strategy. Ch. 4.


S. Hymer, The Multinational Corporation and the Law of Uneven Development in H.
Radice, (ed.). International Firms and Modern Imperialism (also in J. Bhagwati, (ed.)
Economics and World Order from the 1970s to the 1990s).
Unit-I

Unit-II

Unit-III

Unit-IV
Public borrowing: Sources, the instruments of Government borrowing in India (short-term and long-term). Fiscal crisis: causes and consequences. Different budgetary deficit concepts. Fiscal Reforms in India.

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BOOKS RECOMMENDED:


Government of India, Ministry of Finance, Report of the Indirect Taxation Enquiry Committee (L.K Jha Committee) part-I (Sections 2, 3, 4, and 12) and Part-II (Chs. 1, 17, and 18).

Ved P. Gandhi, Some Aspect of India’s Tax Structure.


S.B. Gupta, Monetary Planning for India, Ch. 6, (Pp. 111-117).


G. Thimmiah, Burdens of Union Loans on the States, Chapters 1, 2 and 3.


D.N. Dwivedi ed, Readings in India Public Finance, Readings 1, 2, 9, 11.
Unit-I
Major features of structural changes and their interrelations—labour productivity, capital formation, output, consumption, income and distribution of income.

Unit-II
Comparative study of historical pattern of development; Agrarian change and role of agriculture in the economic development of U.K. Japan, and U.S.S.R.

Unit-III
Organisation of working class, economic concentration and crisis. Role of the State in different economic systems—a study of the three selected countries (U.K., Japan and USSR).

Unit IV
Emergence of regional groupings with special reference to SARC, SAPTA, SAFTA, ASEAN in changing economic scenario.

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BOOKS RECOMMENDED:
A. Gershenkron. Economic Backwardness in Historical Perspective.