M.A. BUSINESS ECONOMICS (COURSES)

First semester
Course-I Microeconomics
Course-II International Economics
Course-III Elementary Mathematical Economics

Second semester
Course-IV Macro Economics
Course-V Money and Banking
Course-VI Basic Statistics

Third semester
Course-VII Principles of Marketing Management
Course-VIII Principles of Management and Organisational Behaviour
Course-IX Principles of Business Finance

Fourth semester
Course-X Project Appraisal and Investment Planning
Course-XI Operation Research and Business Decisions
Course-XII Industrial Economics
Unit-I

Role and significance of assumption in economic models. Theory of Demand: Utility analysis of demand; Indifference curves theory; Income and substitution effects: The Slutsky theorem; Compensated demand curves; The revealed preference theory.

Unit-II

Theory of Production: Stages of production, function; Returns to factor proportions; Return to scale; Elasticity of substitution; Technical progress and production function; Cost and Revenue Analysis (traditional and modern theories of cost). Equilibrium of the firm—marginal analysis: Optimum factor combination and product combination.

Unit-III

Market Structures and Pricing Process: Equilibrium of firm and industry under perfect competition; Monopoly; bilateral monopoly; and Monopolistic competition; Excess capacity and imperfect competition: Pricing and output behaviour under oligopoly: Collusive and non-collusive models: Extensions of the oligopoly: models: Models of Bamuol, Marris and willamson.

Unit-IV


Unit-V


SUGGESTED READINGS
Unit-I


Unit-II


Unit-IV  


Unit-V  


COURSE-II

INTERNATIONAL ECONOMICS

Unit-I

Need for a separate theory of international trade. Theories of international trade classical, Neo-classical, Heckscher-Ohlin and Factor price, equalization theories. Empirical verification of Classical and Heckscher-Ohlin theories, Factors reversal and leontief paradox. Emmanuel’s theory of unequal exchange.

Unit-II


Unit-III


Unit-IV


Unit-V
SUGGESTED READINGS

Unit-I


Unit - II


Unit-III

Unit-IV


Unit-V.


Course-III

ELEMENTARY MATHEMATICAL ECONOMICS

Unit-I SETS, CONTINUITY AND DIFFERENTIATION:


Unit ñ II DIFFERENTIAL AND DIFFERENCE EQUATIONS

Introduction, non-linear and linear differential equations of the first order and first degree. Solutions of differential equations when variables are separable, homogenous equations and non-homogenous equations, exact differential equations and linear equations. Solution of linear differential equations of second with constant coefficient.

Finite differences, different equations. Solutions of homogeneous linear difference equation with constant coefficients, linear first-order difference equations, Linear second order difference equations with constant coefficients.

Application of differential and difference equations in economic models (dynamics of market price, Solow growth model, cob-web model, multiplier-accelerator interaction model, Domar growth model).
Analytic Geometry:
Introduction of a Straight Line, section formula, the equation of a straight line in intercept form, two-point form. Circle: The general equation of a parabola: equation of a parabola, the points of intersection of line and a parabola. Equation of a rectangular hyperbola. Problems based on applications of analytic geometry in economics.

Integration of function of one variable by parts and substitution. Integration of logarithmic and exponential functions. Definite integral and area between two curves. Simple applications of integration to the relationship between marginal functions and total functions, Consumer's surplus and producer's surplus. Investment and capital formation and the present value of a continuous flow.

Unit IV Matrices and Determinants:
Their properties, addition, subtraction and multiplication of matrices. Transpose of a Matrix. Some special forms of square matrices-Trace, Idempotent matrix, Sub-matrix of a matrix. Inverse of a matrix and solution of equations using both the inverse of a matrix and Cramer's rule. Rank of a Matrix (Numerical relating to inverse of a matrix and Cramer's rule should to be confined to matrix of order 3x3).

Unit-V The Input-out-put model:
Its assumptions, technological coefficient matrix, closed and open input output model, the Hawkins-Simon conditions. Solving the input-output models both open and closed using the inverse matrix.

An Introduction to Linear Programming:
Linear equations, slack variables. Feasible and basic solutions. Degeneracy. Solving the primal and Dual with simplex method. Interpretation of the linear programming results.

SUGGESTED READINGS
- Dorfman, R., Linear Programming and Economic Analysis, McGraw Hill
- Baumol, W.J., Economic theory and Operations Analysis, Prentice Hall, New Delhi
- Dowling, Mathematics for Economists, McGraw Hill
- Burmeister, E., and R Dobell, Mathematical Theories of Economic Growth.
Micro Foundations of Macro Economics. The basic classical model of income and employment determination. The basic keynesion model: equilibrium in product and money markets. Multiplier process and the different concepts of multiplier; balanced budget theorem. Macro Economic Theories of Consumption: Keynesion theory; Relative income, Permanent income, and Life cycle income hypotheses. Pigou effect and real balance effect on consumption demand.

Unit-II


Unit-III

The supply of Money and Definitions of Money Supply: Inside and outside money, the neutrality of money Equilibrium in money market. The classical and keynesian dichotomies and their resolution by patinkin's real balance effect and through IS-LM model respectively. Keynesian and post-keynesion theories of rate of interest.

Unit-IV

Growth Models: Harrod-Domar model; Neo classical model; Golden rule of accumulation; Optimal growth turnpikes. Theories of Trade Cycles: Multiplier-Accelerator interaction model, Kaldor and Hicks models. Determination of General Price Level Classical and Keynesion approaches. Theories of Inflation: Demand pull and cost-push inflation; short and long-run phillips curve analysis; The keynesion, the monetarist and the rational expectationists analysis.

Unit-V

Keynesian and monetarist perspectives on monetary, fiscal and income policies. Stabilisation policies: Rules VsDiscretion; lagged effects of policies and role of expectations. Crowding out effect and government budget
Rational expectations and effectiveness of policies.

SUGGESTED READINGS

Unit-I


Unit-II


Unit-IV


Unit-V


Course: VI
BASIC STATISTICS

Unit: 1
Unit: II
The General Linear Regression Model

An Introduction to the matrix formulation and solution of the general linear regression Model. Solution for a model with one dependent and two independent variables. Prediction for simple regression models of demand, supply, production and cost. Multiple and partial correlations and regressions. Relationship between the measures of multiple correlation and measures of partial correlation, Beta coefficients.

Unit III
Elements of Probability Theory

The Concept of Probability Distribution and a Density function. Mathematical expectation, Binomial distribution, the Normal distribution, Some properties of the normal distribution. Sampling and sample designs: simple random sampling, stratified random sampling, systematic sampling and cluster sampling. Large samples. Tests of significance. Limitation of sampling; procedure of testing hypothesis: Region of acceptance and rejection, two tailed and one tailed tests, Type I and Type II errors. Non Parametric Tests: The sign test, rank sum test, the Mann-Whitney U test, advantages and limitations of non parametric tests.

Unit IV
Tests of Significance

Standard error of the mean, Student’s $t$ distribution and its properties, Use of the $t$ distribution to test hypothesis of the population means. Chi Square: general features of Chi Square ($\chi^2$), chi square as a test of goodness of fit, chi square as a test of independence. Contingency table and Yates correction for continuity, testing homogeneity of several independent estimates of population variance. Analysis of variance; meaning, assumptions and techniques of analysis of variance, one way and two way analysis of variance problem. Inter relationship between $t$ and Chi square and F tests.

Unit V
Analysis of Time Series
Meaning and components of time series, Methods of estimating trend – the semi average method, the moving average method and the least squares method. Fitting of second and third degree equations. Fitting of the exponential curve, Gompertz curve and the logistic curve. Measurement of Seasonal, Cyclical and irregular variations.

Index numbers: Meaning, problems in construction of index numbers. Classification of index numbers, unweighted price index numbers, relative of aggregate method and average of price relatives, Weighted price index numbers: Laspeyres’s, Paasche’s and Fisher’s ideal index numbers. Time reversal test and factor reversal test and chain based index numbers. Uses and limitations of index numbers.

Note:
1 All proofs to be avoided. Questions should be application oriented.

SUGGESTED READINGS


Course-VII
Unit-I

Management function; Evolution of Management Thought; Management Approaches; Social and Ethical Issues in Management; Concept, Importance and Process of Strategic Management.

Unit-II

Managerial Decision Making and Control-Significance of Management Information System in Decision Making; Types and Techniques of Managerial Decisions; Decision Making under Risk. Uncertainty and Conflict. Control Techniques; Quality Control.

Unit-III

Concept of and Approaches in Organisational Behaviour; individual and Group Behaviour, Individual Behaviour and Environment; Role of Motivation-Motivation theories (Maslow, Alderfer, Mechlelland and Nerzberg); stress and behaviour-Sources of Stress, Consequences of Stress, Strategies for coping with stress.

Unit-IV

Organisational Structure and Development; Types and Determinants of Organisational Structure; Change and Organizational Development; Organisational Culture; Need for Development of a Strong, cross-cultural. Organisational Culture; Multinational Management; Management Challenges today.

Unit-V

Leadership and Organisational; Leadership theories; Inter-Group Relations and Conflicts; Nature, Types, Causes and Management of Conflicts; Role of Communication in Organisational Development-Communicational Net-Work Communication Barriers, Guidelines for Effective Communication.

SUGGESTED BOOKS
Dass and Miller. Strategic Management.

Drucler, P. The Practice of Management.


Hude, E.S. Organizational Development and Change.

Lawless, O.J. Organisational Behaviour.


Massie, Joseph, L. Essentials of Management.


Robina, S.P. Organizational behaviour.

COURSE-VIII

PRINCIPLES OF BUSINESS FINANCE

Unit-I
Unit-II


Unit-III


Unit-IV


Unit-V


SUGGESTED READINGS


COURSE- IX

PRINCIPLES OF MARKETING MANAGEMENT

Unit-I

Analysing marketing opportunities : Concepts, tasks and philosophies. Information analysis for marketing decisions, Marketing
process, Marketing planning and strategy, Analysing market consumer markets and buying behaviour, Market forecasting. Market segmentation and targeting.

Unit-II

Organising for Marketing Activity: Business goals and marketing organisation, Marketing planning, Marketing decision making, Marketing research, Information system and research process, Marketing logistics.

Unit-III

Planning programme: Product policy decisions, Price decisions, Marketing channel decisions, Physical distribution decisions, Managing operations, Forecasting for operations, Capacity planning and facility layout.

Unit-IV

Export marketing: Identifying foreign markets, Organising international market intelligence, International channels of distribution, Export pricing, Export-import regulations and procedures, Financing of exports and imports, Export marketing risks (credit and marine insurance), Export—import policy of India, Export marketing institutional infrastructure.

Unit-V

Advertising and sales promotion decisions: Objectives of advertising, Cost of advertising to the consumer, Factors affecting the successful use of advertising, Selection of media, Message design and advertising appeals, Evaluation of advertising effectiveness, Theories of selling, Sales related marketing policies, Sales force selection and training, Assignment of territories and motivation, Evaluation and supervision of sales personnel.

SUGGESTED READINGS


COURSE-X

PROJECT APPRAISAL AND INVESTMENT PLANNING

Unit-I

Project formulation: Project ideas, feasibility studies, project formulation. Project implementation and control. Management information system for control of projects. Time preference for money. Discontinuing and compounding. Net present value.
Unit-II

Investment criteria (cost-benefit at market prices). Social cost-benefit analysis (social objectives shadow pricing costs and benefits and choice of techniques). Comparative overview of OEGD, UNIDO and World Bank approaches to pay back period and internal rate of return.

Unit-III


Unit-IV


Unit-V


SUGGESTED READINGS


COURSE - XI

OPERATIONS RESEARCH IN BUSINESS DECISIONS

Unit-I


Unit-II

Activity analysis in linear model. Sensitivity analysis Multistage models. Multi-objective and goal programming.
Unit III

Optimising a nonlinear function of a single variable. Quadratic programming. Separable programming. Integer programming.

Unit IV


Unit V


SUGGESTED READINGS


COURSE XII

INDUSTRIAL ECONOMICS

Maximum Marks : 100

Unit I


Unit II

Theory of firm and pricing. Objectives of the firm: profit and non-profit maximizing models of the firm. Bans theory of limit pricing;
Marginal cost versus full cost pricing; Allocation of costs in case of welfare implications of monopoly pricing. Investment and modern approaches; risk, uncertainty and decision.

Unit III

Market structure, conduct and performance and interrelations among them. Industrial concentration: concepts and measurement; Extent, causes and likely effects of concentration. Analysis of diversification, Vertical integration and mergers in industry. Extent of monopoly and concentration in India; Public policy towards industrial concentration and monopoly power in India.

Unit IV

Industrial location : Theories and factors affecting location; infrastructure for industrialization; Regional growth of industry in India. Tools of public policy. Indian policy for backward areas. Industrial finance in India. Role of term-leading institutions in industrial development of India. Indian capital market.

Unit V

Issues in Indian industry : Phases of industrial growth and changes in industrial structure in India. Public sector rationale and organization; Public sector pricing policies. The question of efficiency in the context of special constraints; Overall performance of public sector in India. The concept of joint-sector in India. The problems of industrial sickness; Capacity utilization. Foreign collaborations; Multinationals in Indian joint ventures aboard. The recent liberalization trends. Large versus small scale industry debate in India.

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SUGGESTED READINGS

Unit I

Unit II


Ahulwalia, I. J. (19850. INDUSTRIAL growth in India. Oxford University Press, Delhi.

