

**SYLLABUS [DRAFT] FOR B.A. [ECONOMICS] UNDER SEMESTER SYSTEM**

**UNDER VINOBA BHAVE UNIVERSITY HAZARIBAGH.**

**SYLLABUS OUTLINE FOR**

**B.A. ECONOMICS [HONS.]**

<b><u>Semester I</u></b> Paper I: Micro Economics I Paper II: Money and Banking	<b><u>Semester II</u></b> Paper III: Macro Economics Paper IV: Indian Economics
<b><u>Semester III</u></b> Paper V: Micro Economics II Paper VI: Statistical Methods in Economics	<b><u>Semester IV</u></b> Paper VII: Mathematical Methods for Economics Paper VIII: International Economics
<b><u>Semester V</u></b> Paper IX: Growth and Development Paper X: History of Economic Thought Paper XI: Optional Paper I Paper XII: Optional Paper II	<b><u>Semester VI</u></b> Paper XIII: Public Finance Paper XIV: Environmental Economics Paper XV: Optional Paper III Paper XVI: Optional Paper IV

**Students will opt for any one of the following groups for the optional papers:**

**OPTIONAL PAPERS:**

GROUP A: Mathematical Economics [Papers XI and XV] and Econometrics [Papers XII and XVI].

GROUP B: Agricultural Economics [Papers XI and XV] and Demography [Papers XII and XVI].

GROUP C: Industrial Economics [Papers XI and XV] & Financial Institutions [Papers XII and XVI].

## **Semester I**

### **Paper I**

#### **Micro Economics – I**

\* The question paper shall contain a total of eight questions out of which any four will have to attempted.

#### **Unit I: Introduction**

- 1.1: Subject Matter of Economics
- 1.2: Nature and Scope of Economics: Micro and macro Economics; Positive and Normative Economics; Dynamic and Comparative Static Economics.
- 1.3: Methodology in Economics: Deductive and Inductive Methods.
- 1.4: Central Economic Problems: Scarcity and Choice; Production Possibility Frontier [PPF].

#### **Unit 2: Consumer Behaviour and Demand**

- 2.1: Cardinal Utility Analysis: Total and marginal Utility; Law of Diminishing Marginal Utility; Law of Equi-Marginal Utility; Consumer's Equilibrium.
- 2.2: Ordinal Utility Analysis: Indifference Curves; Budget Constraints; Consumer's Equilibrium.
- 2.3: Price Effect: Substitution Effect [Hicks and Slutsky]; Income Effect.
- 2.4: Income Consumption Curve [ICC] and Price Consumption Curve [PCC]; Normal, Inferior and Giffen Goods.
- 2.5: Consumer's Surplus: Marshall and Hicks.
- 2.6: Theory of Demand: Derivation of Demand Curve under Cardinal and Ordinal Theories; Law of Demand; Factors Influencing Demand; Changes in Demand and Engels' Curve; Elasticity of Demand; Price; Income and Cross Elasticities.

#### **Unit 3: Theory of Production**

- 3.1: Production Function: Short Run and Long Run.
- 3.2: Law of Variable Proportions;
- 3.3: Returns to Scale: Economies of Scale.
- 3.4: Cobb-Douglas Production Function: It's Properties.
- 3.5: Isoquant Analysis; Iso-Cost Line; Producer's Equilibrium; Production Decision and Expansion Path.

#### **Unit 4: Theory of Costs and Revenue**

- 4.1: Concepts of Costs and their inter-relationship: Short Run and Long Run.
- 4.2: Concepts of Revenue and their inter-relationship; Break-Even Analysis.

## **Semester I**

### **Paper - II**

#### **Money and Banking**

\* The question paper shall contain a total of eight questions out of which any four will have to attempted.

##### **Unit 1: Money**

- 1.1: Money: Meaning and Function: Role of Money in Capitalistic, Socialistic and Mixed Economies.
- 1.2: Quantity Theory of Money: Cash Transactions Approach and Cash Balance Approach.
- 1.3: Keynesian Theory of Money and Prices.

##### **Unit 2: Central Banking**

- 2.1: Objectives, Functions and Limitations of Central Bank with reference of RBI.
- 2.2: Supply of Money: Concept, Components and Aggregates; Money Multiplier.
- 2.3: Quantitative and Qualitative Methods of Credit Control.
- 2.4: Objectives, Functions and Limitations of Money Market: Developed and Developing with special reference to India.

##### **Unit 3: Commercial Banking**

- 3.1: Meaning, Types, Functions and Principles of Commercial Banks.
- 3.2: Structure and Balance Sheet of a Commercial Bank; Assets and Liabilities.
- 3.3: Process of Credit Creation.
- 3.4: Commercial Banking in India: Evaluation of Banking Sector since Independence; Critical Appraisal of Commercial Banking after Nationalization; Recent Banking Reforms.

##### **Unit 4: Financial Markets**

- 4.1: Banking System; Bond Market; Foreign Exchange Market; Equity Market – Concepts.
- 4.2: Introduction to the Concept of Derivatives.
- 4.3: Futures; Options; Call/Put.

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## **Semester II**

### **Paper - III**

#### **Macro Economics**

\* The question paper will contain a total of eight questions out of which any four will have to attempted.

#### **Unit 1: National Income and Social Accounting**

- 1.1: Concept of Circular Flow
- 1.2: Concept and Measurement of National Income
- 1.3: Concept of Social Accounting
- 1.4: Environmental Concerns in National Income; Green Accounting.

#### **Unit 2: Theory of Output and Employment**

- 2.1: Say's Law of Market and Classical Theory of Employment: Critical Analysis and Keynes' Objections.
- 2.2: Consumption Function and Savings Function: APC; MPC; APS and MPS; Factors Affecting Consumption Function; Psychological Law of Consumption.
- 2.3: Investment Function: Autonomous and Induced Investment; MEC and Rate of Interest.
- 2.4: Principle of Effective Demand: Equality and Equilibrium of AD/AS and S/I; Paradox of Thrift.
- 2.5: Investment Multiplier and its Effectiveness in Less Developed Countries.
- 2.6: Theory of Acceleration.

#### **Unit 3: Trade Cycles**

- 3.1: Nature and Characteristics of Trade Cycle.
- 3.2: Hawtrey's Monetary Theory of Trade Cycle.
- 3.3: Hayek's Over-Investment Theory of Trade Cycle.
- 3.4: Keynesian Views on Trade Cycle.

#### **Unit 4: Inflation**

- 4.1: Definition, Types, Causes and Effects of Inflation.
- 4.2: Measures to Control Inflation.
- 4.3: Concept of Inflationary Gap.

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**Semester II**  
**Paper IV**  
**Indian Economics**

\* The question paper shall contain a total of eight questions out of which any four will have to attempted.

**Unit 1: Structure of Indian Economy**

- 1.1: Basic Features of Indian Economy
- 1.2: Natural Resources: Land, Water and Forest Resources.
- 1.3: Broad Demographic Features: Population Size, Structure [Sex and Age]; Characteristics; Change in Population; Rural-Urban Migration; Occupational Distribution; Problem of Over-Population; Population Policy.

**Unit 2: Problems and Planning in India**

- 2.1: Poverty and Inequality;
- 2.2: Problem of Unemployment;
- 2.3: Problem of Rising Prices;
- 2.4: Objectives, Strategy, Achievements and Failures of Planning in India; Analysis of Current Five Year plan.
- 2.5: New Economic Reforms: Liberalization, Privatization, Globalization and its progress.

**Unit 3: Agriculture and Industry**

- 3.1: Nature and Importance of Agriculture: Trends in Agricultural Production and Productivity; Factors Affecting Productivity.
- 3.2: Land Reforms.
- 3.3: New Agricultural Strategy, Green Revolution and Agricultural Reforms after 1991.
- 3.4: Rural Credit and Agricultural Marketing.
- 3.5: Industrial Policies of 1948, 1956 and 1991.
- 3.6: Large Scale Industries: Present Position and Problems of Sugar, Iron and Steel, Jute and Cotton Textile Industries.
- 3.7: Cottage and Small Scale Industries: Growth, Importance and Problems.

**Unit 4: External Sector and Economics of Jharkhand**

- 4.1: Role of Foreign Trade.
- 4.2: Composition and Direction of India's Foreign trade and FDI.
- 4.3: Basic Features of Jharkhand Economy.
- 4.5: Mineral and Forest Resources.
- 4.6: Agriculture in Jharkhand.

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## **Semester III**

### **Paper V**

#### **Micro Economics - II**

\* The question paper shall contain a total of eight questions out of which any four will have to attempted.

#### **Unit 1: Market Structure**

- 1.1: Forms of Market: perfect and Imperfect Markets: Salient Features.
- 1.2: Equilibrium of the Firm and Industry [Short Run and Long Run] under Perfect Competition; Derivation of Supply Curve.
- 1.3: Monopoly: Price and Output Determination [Short Run and Long Run]; Price Discrimination;
- 1.4: Monopolistic Competition: Price and Output Determination (Individual and Group Equilibrium); Importance of Selling Costs.
- 1.5: Oligopoly: Kinked Demand Curve Theory.

#### **Unit 2: Factor Pricing**

- 2.1: Marginal Productivity Theory of Distribution; Adding-Up Problem [Euler's Theorem].
- 2.1: Theories of Wage determination: Demand and Supply Theory; Collective Bargaining.
- 2.3: Rent: Ricardian and Modern Theory.
- 2.4: Interest: Classical and Keynesian Theories.
- 2.5: Profit: Innovation, Risk and Uncertainty Theories.

#### **Unit 3: Welfare Economics**

- 3.1: Concept of Welfare: Value Judgement; Problems in Measuring Welfare.
- 3.2: Classical Welfare Economics: Pigou.
- 3.3: Pareto's Criterion of Measuring Welfare;

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## **Semester III**

### **Paper VI**

#### **Statistical Methods in Economics**

\* The question paper shall contain a total of eight questions out of which any four will have to attempted.

##### **Unit 1: Introduction to Statistics**

- 1.1: Basic Concepts: Population and Sample, Parameter, Statistic, Primary and Secondary Data.
- 1.2: Classification and Tabulation.
- 1.3: Diagrammatic and Graphical Representation of Data.

##### **Unit 2: Central Tendency and Dispersion**

- 2.1: Measures of Central Tendency: Arithmetic Mean, Median, Mode, Geometric Mean and Harmonic Mean.
- 2.2: Measures of Dispersion: Mean Deviation, Quartile Deviation, Standard Deviation, Coefficient of Variation.
- 2.3: Measures of Skewness.

##### **Unit 3: Correlation and Regression**

- 3.1: Correlation; Coefficient of Correlation – Karl Pearson and Rank Correlations.
- 3.2: Regression Analysis: Linear Regression; Interpretation of Regression Coefficients.

##### **Unit 4: Time Series and Index Numbers**

- 4.1: Time Series Analysis: Concept; Components; Least Square Method of Determination of Trend.
- 4.2: Index Numbers: Concept; price relative; quantity relative; weighted index number.
- 4.3: Methods of Construction of Index Numbers: Laspeyre, Paasche and Fisher.
- 4.4: Tests for Adequacy of Index Number.

##### **Unit 5: Probability**

- 5.1: Probability: Concept.
- 5.2: Rules of Probability: Addition and Multiplication Theorems.

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## **Semester IV**

### **Paper VII**

#### **Mathematical Methods for Economics**

\* The question paper shall contain a total of eight questions out of which any four will have to attempted.

##### **Unit 1: Basic Concepts**

- 1.1: Set Theory: Concepts and set operations.
- 1.2: Variables and Functions; Equations and Systems of Equations;
- 1.3: Elements of Coordinate Geometry: Straight Line.
- 1.4: Homogeneous Functions.

##### **Unit 2: Calculus**

- 2.1: Concept of Limit and Differentiation [Simple and Partial] of a Function.
- 2.2: Maxima and Minima; Its applications in Economics.
- 2.3: Pricing under Monopoly and Perfect Competition.
- 2.4: Inter-Relationships among Total, Marginal and Average Cost and Revenues.
- 2.5: Integration of a Function: Definite and Indefinite.
- 2.6: Economic Applications of Integrals: Obtaining Total Function from Marginal Function: Revenue, Cost and Product; Consumer's Surplus.

##### **Unit 3: Matrix and Determinants**

- 3.1: Various Types of Matrices.
  - 3.2: Matrix Operations.
  - 3.3: Determinants.
  - 3.4: Inverse of a Matrix.
  - 3.5: Cramer's Rule.
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## **Semester IV**

### **Paper VIII**

#### **International Economics**

\* The question paper shall contain a total of eight questions out of which any four will have to attempted.

##### **Unit 1: Scope of International Economics**

- 1.1: International Economics: Definition, Nature and Importance.
- 1.2: Gains from Trade: Their Measurement and Distribution.
- 1.3: Comparative Cost Advantage [Ricardian] and Heckcher-Ohlin Theory of International Trade.

##### **Unit 2: International Trade Policy**

- 2.1: Free Trade vs. Protection.
- 2.2: Methods of Trade Restriction: Tariff and Quotas - Their Impact.

##### **Unit 3: Foreign Exchange**

- 3.1: Exchange Rate Determination: Gold Standard [Mint Parity]; Purchasing Power Parity Theory.
- 3.2: Devaluation and Appreciation of currency.

##### **Unit 4: Balance of Trade and Balance of Payment**

- 4.1: Concepts and Components of Balance of Trade and Balance of Payment.
- 4.2: Equilibrium and Disequilibrium in Balance of Payment; Consequences of Disequilibrium in Balance of Payment; Measures to Correct Deficit in Balance of Payment.

##### **Unit 5: International Financial Institutions and India**

- 5.1: Functions of IMF; World Bank; WTO with reference to India.
- 5.2: Balance of Payment Crisis; Need and Importance of Foreign Capital.

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## **Semester V**

### **Paper IX**

#### **Growth and Development**

\* The question paper shall contain a total of eight questions out of which any four will have to attempted.

##### **Unit 1: Introduction to Economic Growth and Development**

- 1.1: Economic Growth and Development: Concepts and Contrasts.
- 1.2: Factors Affecting Economic Growth.
- 1.3: Development and Under-Development; Obstacles to Under-Development.
- 1.4: Concept of Poverty Line.
- 1.5: Theory of Demographic Transition.
- 1.6: Capital Formation.

##### **Unit 2: Theories of Growth and Development**

- 2.1: Classical Theories of Development: Adam Smith and David Ricardo.
- 2.2: Harrod-Domar Growth Model.
- 2.3: Schumpeter and Capitalistic Development.
- 2.4: Lewis Model.
- 2.5: Rostow's Model of Growth.

##### **Unit 3: Macro Economic Policy and Economic Development**

- 3.1: Role of Monetary and Fiscal Policies in Developing Countries, including India.
- 3.2: External Resources: FDI, AID vs. Trade; Technology Inflow, MNC activity in India.

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## **Semester V**

### **Paper X**

#### **History of Economic thought**

\* The question paper shall contain a total of eight questions out of which any four will have to attempted.

##### **Unit 1: Early Period**

1.1: Mercantalism.

1.2: Physiocracy.

##### **Unit 2: Development of Classical Economics**

2.1: Adam Smith: Division of Labour, Theory of Value, Capital Accumulation, Distribution, Views on Trade, Economic Progress.

2.2: David Ricardo: Value, Theory of Rent, Distribution, Ideas on Economic Development and International Trade.

2.3: T.R.Malthus: Theory of Population, Theory of Gluts.

2.4: Karl Marx: Dynamics of Social Change, Theory of Value, Surplus Value, Profit and Crisis of Capitalism.

2.5: J.B.Say: Economic Ideas.

##### **Unit 3: The Marginalist Revolution**

3.1: Jevons and Walrus.

3.2: Neo-Classical Thought: Alfred Marshall.

##### **Unit 4: the Keynesian Revolution**

4.1: Economic Ideas of J. M. Keynes.

##### **Unit 5: Indian Economic Thought**

5.1: Economic Ideas of Mahatma Gandhi.

5.2: Economic Ideas of Amartya Sen.

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## **Semester V**

### **OPTIONAL PAPERS**

#### **GROUP A**

#### **MATHEMATICAL ECONOMICS AND ECONOMETRICS**

##### **Paper XI**

##### **Mathematical Economics – I**

\* The question paper shall contain a total of eight questions out of which any four will have to attempted.

##### **Unit 1: Elementary Mathematics in Economics**

1.1: Role of Mathematics in Economics.

1.2: Functions and its Graphs.

1.3: Set Theory: Kinds of Sets; Operation of Sets; Venn Diagrams; Cartesian Products.

##### **Unit 2: Limits and Differentiation**

2.1: Limits and Continuity.

2.2: Differentiation: Rules of Differentiation; Higher Order Derivatives.

2.3: Application of Derivatives: Differentiation of a Function; Concavity and Convexity; Maxima and Minima; Inflection Points; Perfect Competition; Monopoly; Elasticity.

##### **Unit 3: Calculus and Multi-Variable Functions**

3.1: Functions of Several Variables and Partial Derivatives.

3.2: Rules of Partial Differentiation; Second Order Partial Derivatives.

3.3: Application of Partial Derivatives in Economics.

##### **Unit 4: Integration and Its Applications**

4.1: Concept; Rules of Integration; Integration by Substitution.

4.2: Definite and Indefinite Integrals.

4.3: Economic Applications of Integration.

4.3: Consumer's Surplus.

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## **Semester V**

### **OPTIONAL PAPERS**

#### **GROUP A**

### **MATHEMATICAL ECONOMICS AND ECONOMETRICS**

#### **Paper XII**

#### **Econometrics – I**

\* The question paper shall contain a total of eight questions out of which any four will have to attempted.

#### **Unit 1: Introduction**

1.1: Definition and Scope of Econometrics.

1.2: Importance of Error Term.

1.3: Desirable Properties of Estimators: Unbiasedness; Efficiency; Consistency and Sufficiency; properties of Ordinary Least Squares.

#### **Unit 2: Probability and Mathematical Expectation**

2.1: Probability: Concepts.

2.2: Additional and Multiplication Theorems of Probability; Baye's Theorem.

2.3: Mathematical Expectation: Meaning and Properties.

#### **Unit 3: Simple Regression Analysis and Theoretical Distribution**

3.1: Correlation and Regression; Coefficient of Determination.

3.2: Theoretical Frequency Distribution: Binomial and Normal Distributions; Their uses and Properties.

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## **Semester V**

### **OPTIONAL PAPERS**

#### **GROUP B**

#### **AGRICULTURAL ECONOMICS AND DEMOGRAPHY**

##### **Paper XI**

##### **AGRICULTURAL ECONOMICS – I**

\* The question paper shall contain a total of eight questions out of which any four will have to attempted.

##### **Unit 1: Rural Economy of India**

- 1.1: Composition of Indian Rural Economy: Farm and Non-Farm Sector.
- 1.2: Place of Agriculture in Rural Economy.
- 1.3: Diversification of Agriculture: Agriculture and Allied Activities [Fisheries, Horticulture, Floriculture].
- 1.4: Forestry in India: Growth, Problems and State Policies.
- 1.5: Rural Industrialization: Food Processing and Agro-Based Industries.
- 1.6: Development of Rural Infrastructure.

##### **Unit 2: Development of Agriculture**

- 2.1: Role and Importance in Economic Development: Linkages between Agricultural Sector and Non-Agricultural Sector; Changing Nature of Linkages.
- 2.2: Irrigation in India.
- 2.3: Trends in Agricultural Growth and Agricultural Productivity.

##### **Unit 3: Agrarian Relations and Land Reforms in India**

- 3.1: Agrarian Relations: Land Reforms Programme during 1950s and 1960s.
- 3.2: Land Reforms Programme and Performance during 1970s and after.

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## **Semester V**

### **OPTIONAL PAPERS**

#### **GROUP B**

#### **AGRICULTURAL ECONOMICS AND DEMOGRAPHY**

##### **Paper XII**

##### **DEMOGRAPHY – I**

\* The question paper shall contain a total of eight questions out of which any four will have to attempted.

##### **UNIT 1: Introduction**

- 1.1: Demography: Concepts; Definitions; Nature; Scope and Importance.
- 1.2: Population Study and Demography: Similarities and Dissimilarities.
- 1.3: Relationship of Demography with other Disciplines.

##### **Unit 2: Theories of Population**

- 2.1: Malthusian Theory of Population.
- 2.2: Optimum Theory of Population.
- 2.3: Theory of Demographic Transition.

##### **Unit 3: Sources of Demographic Data in India**

- 3.1: Population Census.
- 3.2: Civil Registration System.
- 3.3: Demographic Surveys.
- 3.4: Merits and Demerits of Sources of Population Data.

##### **Unit 4: Structure of Population**

- 4.1: Population Trends: Historical Evidence of Growth of Population and its Distribution in India.
- 4.2: Age and Sex Structure of Population in India: Pattern; Determinants; Age Pyramids; Individual and Population Ageing; Temporal and Spatial Variations in Sex Ratios.
- 4.3: Population Explosion in India: Causes and Consequences.

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## **Semester V**

### **OPTIONAL PAPERS**

#### **GROUP C**

#### **INDUSTRIAL ECONOMICS AND FINANCIAL INSTITUTIONS**

##### **Paper XI**

##### **INDUSTRIAL ECONOMICS – I**

\* The question paper shall contain a total of eight questions out of which any four will have to attempted.

##### **Unit 1: Introduction**

- 1.1: Industry and Economic Development.
- 1.2: Industry and Sectoral Linkages.
- 1.3: Industrial Classification and Information.

##### **Unit 2: Industrial Organization and Ownership Structure**

- 2.1: Public; Private; Joint and Cooperative Sectors.
- 2.2: Private Corporate Sector.
- 2.3: Industrial Competition and Monopoly.

##### **Unit 3: Location and Dispersion**

- 3.1: Location of Industries.
- 3.2: Theories of Location.
- 3.3: Diversification, Integration and Merger of Industrial Units.
- 3.4: Dispersion and Problems of Regional Imbalance.

##### **Unit 4: Composition of Industrial Sector**

- 4.1: Significance of Size.
  - 4.2: Major Large Scale Industries: Sugar; Cement; Cotton; Iron and Steel; Jute Industries.
  - 4.3: Agro-processing Industries.
  - 4.4: Small-Scale Industries; Cottage and Village Industries and Rural Industrialization.
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## **Semester V**

### **OPTIONAL PAPERS**

#### **GROUP C**

#### **INDUSTRIAL ECONOMICS AND FINANCIAL INSTITUTIONS**

##### **Paper XII**

##### **FINANCIAL INSTITUTIONS – I**

\* The question paper shall contain a total of eight questions out of which any four will have to attempted.

##### **Unit 1: Money**

- 1.1: Money: Meaning; Functions and Types.
- 1.2: Supply of Money: Concept, Components and Aggregates.
- 1.3: Money Market and Capital Market.

##### **Unit 2: Commercial Banks**

- 2.1: Commercial Banks: Objectives; Functions; Types.
- 2.2: Role of Commercial Banks in Economic development of India.
- 2.3: Liabilities and Assets of Commercial Banks.
- 2.4: Mechanism of Credit Creation by Commercial Banks: Purpose and Limitations.
- 2.5: Pre-Requisites of Sound Commercial Banking System.

##### **Unit 3: Foreign Exchange Markets**

- 3.1: Foreign Exchange; Foreign Exchange Rate; Foreign Exchange Market.
- 3.2: Concepts of Spot Exchange Rates and Forward Exchange Rates.
- 3.3: Determination of Exchange Rates under Fixed and Flexible Exchange Rate Regimes.

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## **Semester VI**

### **Paper XIII**

#### **Public Finance**

\* The question paper shall contain a total of eight questions out of which any four will have to attempted.

#### **Unit 1: Nature and Scope of Public Finance**

- 1.1: Meaning and Scope of Public Finance.
- 1.2: Distinction between Private and Public Finance, Public goods and Private goods.
- 1.3: Principle of Maximum Social Advantage.

#### **Unit 2: Public Expenditure**

- 2.1: Meaning, Classification and Principle of Public Expenditure.
- 2.2: Effects of Public Expenditure on production and distribution.
- 2.2: Trends in Public Expenditure and Causes of Growth of Public Expenditure in India.

#### **Unit 3: Taxation**

- 3.1: Sources of Public Revenue.
- 3.2: Taxation: Meaning and Classification of Taxes.
- 3.3: Principles of Taxation: Benefit and Ability to Pay Approaches.
- 3.4: Impact and Incidence of Taxes.
- 3.5: Taxable Capacity.
- 3.6: Characteristics of a good Tax System.
- 3.7: Effects of Taxation on production and distribution.

#### **Unit 4: Public Debt and Financial Administration**

- 4.1: Public Debt: Meaning, Types, Sources and Need.
- 4.2: Effects and Burden of Public Debt.
- 4.3: Methods of Debt Redemption.
- 4.4: Public Budget: Economic and Functional Classification of Budget.
- 4.6: Preparation of Budget in India.
- 4.7: Centre-State Financial Relations in India.

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## **Semester VI**

### **Paper XIV**

#### **Environmental Economics**

\* The question paper shall contain a total of eight questions out of which any four will have to attempted.

##### **Unit 1: Environmental Issues**

- 1.1: Elementary Ecology, Entropy Law.
- 1.2: Two-Way Environment-Economy Linkage.

##### **Unit 2: Basic Concepts**

- 2.1: Basic Concepts: Elements of Capital Theory; Externality; Public Goods; Renewable and Non-renewable resources; Common Property Resources.
- 2.2: Social Cost-Benefit Analysis.

##### **Unit 3: Environmental Degradation**

- 3.1: Causes and Effects of Environmental Degradation; Degradation of Land, Forest and Natural Resources.
- 3.2: Pollution from Energy Use: Effects on Health, Land, Water and Air.
- 3.3: Pollution prevention, control and Abatement.

##### **Unit 4: Environmental Policies**

- 4.1: Pollution Control System and Policy in India.
- 4.2: Concepts and Indicators of Sustainable Development.
- 4.3: Environmental Accounting.

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## **Semester VI**

### **OPTIONAL PAPER**

#### **GROUP A**

### **MATHEMATICAL ECONOMICS AND ECONOMETRICS**

#### **PAPER XV**

#### **Mathematical Economics – II**

\* The question paper shall contain a total of eight questions out of which any four will have to attempted.

#### **Unit 1: Basic Matrix Algebra**

- 1.1: Matrices: Types.
- 1.2: Addition, Subtraction and Multiplication of Matrices.
- 1.3: Order of Matrices; Transpose of a Matrix; Minor, Cofactors and Inverse of a Matrix.
- 1.4: Determinants: Properties and Value of a Determinant.
- 1.5: Rank of a Matrix.
- 1.6: Solution of Equations by Matrix Inversion.

#### **Unit 2: Game Theory**

- 2.1: Game Theory: Introduction and Concepts.
- 2.2: Pure Strategy: Saddle Point Solution.
- 2.3: Mixed Strategy: Optimal Expected Payoff.
- 2.4: Minimax Theorem.

#### **Unit 3: Linear Programming**

- 3.1: Linear Programming: Basic Concepts; Primal and Dual.
- 3.2: Basic Theorems of Linear Programming.
- 3.3: Graphical Solution of Linear Programming.

#### **Unit 4: Input-Output Analysis**

- 4.1: Input-Output Analysis: Simple Static Model; Concept and Measurement.

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## **Semester VI**

### **OPTIONAL PAPERS**

#### **GROUP A**

#### **MATHEMATICAL ECONOMICS AND ECONOMETRICS**

##### **Paper XVI**

##### **Econometrics – II**

\* The question paper shall contain a total of eight questions out of which any four will have to attempted.

##### **Unit 1: Sampling Distribution and Testing**

- 1.1: Sampling: Simple; Random and Stratified.
- 1.2: Sampling Distribution: Distribution of Sample Mean and Variance.
- 1.3: Testing of Hypothesis: Point and Interval Estimation.
- 1.4: Type-I and Type-II Errors; Standard Errors.
- 1.5: Tests based on t and Chi-Square Statistics.

##### **Unit 2: Estimation Theory**

- 2.1: Ordinary Least Squares [OLS]: Two Variable Linear Method; Assumptions.
- 2.2: Properties of OLS Estimators; Gauss-Markov Theorem.

##### **Unit 3: Problems in OLS Estimation**

- 3.1: Problem of Heteroscedasticity: Their Consequences.
- 3.2: Problem of Auto-Correlation [First Order]: Their Consequences, Tests and Remedies; First order Autoregressive scheme, Mean, Variance and Co-Variance of auto-correlated U's.
- 3.3: Problem of Multicollinearity: Their Consequences.

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## **Semester VI**

### **OPTIONAL PAPER**

#### **GROUP B**

### **AGRICULTURAL ECONOMICS AND DEMOGRAPHY**

#### **PAPER XV**

### **AGRICULTURAL ECONOMICS – II**

\* The question paper shall contain a total of eight questions out of which any four will have to attempted.

#### **Unit 1: Technological Change in Agriculture**

- 1.1: Technology in Agriculture: Traditional Techniques and Practices; HYV Seeds; Fertilizers; Water Technology [Green Revolution].
- 1.2: Sustainable Agriculture.
- 1.3: Emerging Trends in Agricultural Technology; Dry Land Farming.

#### **Unit 2: State and Agriculture – I**

- 2.1: Agricultural Finance in India: Importance; Types of Requirements; Institutional and Non-Institutional Sources of Finance; Existing Rural Credit Delivery System [Multi-agency Approach].
- 2.2: Agricultural Marketing in India: Markets and Marketing Functions.
- 2.3: Role of Cooperatives in Agriculture.

#### **Unit 3: State and Agriculture – II**

- 3.1: Agricultural Planning in India: Decentralized Planning and Indicative Planning.
- 3.2: Incentives in Agriculture: Price and Non-Price Incentives; Input Subsidies.
- 3.3: Agricultural Price Policies [APP]: Nature of Demand and Supply of Agricultural Products; Need for State Intervention; Objectives of APP; Instruments of APP and their Evaluation.
- 3.4: Food Security in India and Public Distribution System.

#### **Unit 4: Indian Agriculture since Independence**

- 4.1: Agricultural Development in India.
- 4.2: Underemployment and Disguised Unemployment in Rural Economy.
- 4.3: Globalization of Indian Economy and its Effects on Indian Agriculture.
- 4.4: WTO and Indian Agriculture.

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## **Semester VI**

### **OPTIONAL PAPER**

#### **GROUP B**

#### **AGRICULTURAL ECONOMICS AND DEMOGRAPHY**

##### **PAPER XVI**

##### **DEMOGRAPHY – II**

\* The question paper shall contain a total of eight questions out of which any four will have to attempted.

##### **Unit 1: Techniques of Analysis**

- 1.1: Crude Birth and Death Rates; Age-specific Birth and Death Rates; Standardized Birth and Death Rates: Concepts, Relative Merits and Demerits.
- 1.2: Study of Fertility: Concepts of Total Fertility Rate, Gross Reproduction Rate and Net Reproduction Rate; Their Relative Merits and Demerits; Factors Affecting Fertility.
- 1.3: Marriage and Marital Status: Concept and Measurement.
- 1.4: Reproductive and Child Health [RCH] in India.

##### **Unit 2: Population Projection**

- 2.1: Meaning, Types and Uses of Population Projection.
- 2.2: Techniques of Population Projection: Their Relative Merits and Demerits.
- 2.3: Concept of Stationary, Stable and Quasi-Stationary Population.
- 2.4: Ageing of Population: Concept, Status and Assessment with reference to India.
- 2.5: Changes in Family Structure and Old Age Security in India.

##### **Unit 3: Population Policy of India**

- 3.1: Evolution of Population Policy in India.
- 3.2: New National Population Policy: Assessment.
- 3.3: Family Planning and Family Welfare Programme: Achievements and Failures; Shift from Population Control to Family Welfare and Women Empowerment.
- 3.4: Demographic Status and Household Behaviour: Education, Women's Autonomy and Fertility; Population; Health; Poverty and Environment Linkage.
- 3.5: Salient Features of Recent Census.

## **Semester VI**

### **OPTIONAL PAPERS**

#### **GROUP C**

### **INDUSTRIAL ECONOMICS AND FINANCIAL INSTITUTIONS**

#### **Paper XV**

### **INDUSTRIAL ECONOMICS – II**

\* The question paper shall contain a total of eight questions out of which any four will have to attempted.

#### **Unit 1: Industrial Productivity**

- 1.1: Concept and Measurement of Productivity: Productivity in Indian Industries.
- 1.2: Industrial Sickness.
- 1.3: Under-Utilization of Capacity: Factors Accounting for it and Consequences.

#### **Unit 2: Financing of Industry**

- 2.1: Mode of Financing: Equity and Debt.
- 2.2: Institutional Finance: Bank Finance.

#### **Unit 3: Indian Industry in the International Context**

- 3.1: Globalization and Indian Industry.
- 3.2: International Competitiveness of Indian Industry.
- 3.3: Privatization and Issues Relating to Disinvestment Policy.

#### **Unit 4: Industrial Development in India**

- 4.1: Industrial Structure at the Time of Independence.
- 4.2: Industrial Policy [Role of State].
- 4.3: New Industrial Policy and Economic Reforms.
- 4.4: Industrial Growth and Pattern.

#### **Unit 5: Industrial Labour in India**

- 5.1: Structure of Industrial Labour.
- 5.2: Employment Dimension of Indian Industries.
- 5.3: Industrial Legislation.
- 5.4: Industrial Relations.
- 5.5: Issues of Social Security: Wages; Bonus; Exit Policy and Social Security.

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## **Semester VI**

### **OPTIONAL PAPERS**

#### **GROUP C**

#### **INDUSTRIAL ECONOMICS AND FINANCIAL INSTITUTIONS**

##### **Paper XVI**

##### **FINANCIAL INSTITUTIONS – II**

\* The question paper shall contain a total of eight questions out of which any four will have to attempted.

##### **Unit 1: Central Bank**

- 1.1: Central Bank: Functions and Objectives.
- 1.2: Instruments of Credit Control: Quantitative and Qualitative Methods.
- 1.3: Role and Functions of RBI: Development and Regulatory Functions.
- 1.4: Monetary Policies: Objectives and Limitations; Recent Monetary Policies of RBI.

##### **Unit 2: Financial Institutions in India**

- 2.1: Importance of Financial System in India.
- 2.2: Financial Institutions in India: Function and Growth.
- 2.3: Measures to Liberalize Financial System.
- 2.4: Banking and Financial Sector Reforms: Impact on Economic Growth in India.

##### **Unit 3: Development Banking**

- 3.1: Structure of Cooperative Institutions and Development Banks in India [SIDBI, IDBI]  
Objective; Role and Limitations.
- 3.2: Definition and Types of NBFs: Mutual Funds; LIC; Investment Companies; Venture Capital.
- 3.3: Growth and Importance of NBFs.
- 3.4: Recent Measures taken by RBI and SEBI to regulate Working of NBFs.

##### **Unit 4: Financial Markets**

- 4.1: Structure of Financial Markets: Call Money; Treasury bills, Commercial Bills.
- 4.2: Stock market and Market for Gilt-Edged Securities.
- 4.3: Unregulated Credit Markets.
- 4.4: SEBI and Working of Capital Markets in India.

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**SYLLABUS [DRAFT] FOR B.A. [ECONOMICS] UNDER SEMESTER SYSTEM**

**UNDER VINOBA BHAVE UNIVERSITY HAZARIBAGH.**

**SYLLABUS OUTLINE FOR**

**B.A. ECONOMICS [GENERAL/SUBSIDIARY]**

<b><u>Semester I</u></b> Paper I: Micro Economics I	<b><u>Semester II</u></b> Paper I: Money and Banking
<b><u>Semester III</u></b> Paper III: Indian Economics	<b><u>Semester IV</u></b> Paper IV: Development Issues of Indian Economy
<b><u>Semester V</u></b> Paper V: Micro Economics II	<b><u>Semester VI</u></b> Paper VI: Public Finance and International Trade

**Semester I**  
**Paper I**  
**Micro Economics – I**

\* The question paper shall contain a total of eight questions out of which any four will have to attempted.

**Unit I: Introduction**

- 1.1: Subject Matter of Economics; Central Economic Problems; Production Possibility Frontier.
- 1.2: Micro and Macro Economics; Positive and Normative Economics.

**Unit 2: Consumer Behaviour and Demand**

- 2.1: Cardinal Utility Analysis: Total and marginal Utility; Law of Diminishing Marginal Utility; Law of Equi-Marginal Utility; Consumer's Equilibrium.
- 2.2: Ordinal Utility Analysis: Indifference Curves; Budget Constraints; Consumer's Equilibrium.
- 2.3: Consumer's Surplus: Marshall and Hicks.
- 2.6: Theory of Demand; Elasticity of Demand: Price, Income and Cross.

**Unit 3: Theory of Production**

- 3.1: Production Function: Short Run and Long Run.
- 3.2: Law of Variable Proportions; Returns to Scale: Economies of Scale.
- 3.3: Isoquant Analysis; Iso-Cost Line; Producer's Equilibrium.

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**Semester II**

**Paper - II**

**Money and Banking**

\* The question paper shall contain a total of eight questions out of which any four will have to attempted.

**Unit 1: Money**

- 1.1: Money: Meaning & Function: Role of Money in Capitalistic, Socialistic & Mixed Economies.
- 1.2: Quantity Theory of Money: Transactions Approach and Cash Balance Approach.

**Unit 2: Central Banking**

- 2.1: Objectives, Functions and Limitations of Central Bank with reference of RBI.
- 2.2: Quantitative and Qualitative Methods of Credit Control.

**Unit 3: Commercial Banking**

- 3.1: Meaning, Types, Functions and Principles of Commercial Banks.
- 3.2: Process of Credit Creation.
- 3.4: Commercial Banking in India: Evaluation of Banking Sector since Independence; Critical Appraisal of Commercial Banking after Nationalization.

**Unit 4: Inflation**

- 4.1: Definition, Types, Causes and Effects of Inflation.
  - 4.2: Measures to Control Inflation.
  - 4.3: Concept of Inflationary Gap.
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**Semester II**  
**Paper - III**  
**Indian Economics**

\* The question paper shall contain a total of eight questions out of which any four will have to attempted.

**Unit 1: Structure of Indian Economy**

- 1.1: Basic Features of Indian Economy
- 1.2: Natural Resources: Land, Water and Forest Resources.
- 1.3: Broad Demographic Features.

**Unit 2: Planning in India**

- 2.1: Objectives, Achievements and Failures of Planning; Analysis of Current Five Year plan.
- 2.2: New Economic Reforms: Liberalization, Privatization and Globalization; Their progress.

**Unit 3: Important Areas of Concern**

- 3.1: Poverty and Inequality;
  - 3.2: Problem of Unemployment;
  - 3.3: Problem of Rising Prices;
- .....

**Semester II**  
**Paper IV**  
**Development Issues of Indian Economy**

\* The question paper shall contain a total of eight questions out of which any four will have to attempted.

**Unit 1: Agriculture**

- 1.1: Nature, Importance and Trends of Indian Agriculture.
- 1.2: Land Reforms.
- 1.3: New Agricultural Strategy and Green Revolution.
- 1.4: Rural Credit.

**Unit 2: Industry**

- 2.1: Industrial Development during the Planning Period.
- 2.2: Industrial Policies of 1948, 1956 and 1991.
- 2.3: Large Scale Industries: Sugar, Iron and Steel, Jute and Cotton Textile Industries.
- 2.4: Small Scale Industries: Growth, Importance and Problems.

**Unit 3: External Sector**

- 3.1: Role of Foreign Trade.
  - 3.2: Trends in Export and Import.
  - 3.3: Composition and Direction of India's Foreign trade.
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**Semester V**  
**Micro Economics - II**

\* The question paper shall contain a total of eight questions out of which any four will have to attempted.

**Unit 1: Theory of Costs and Revenue**

- 1.1: Concepts of Costs and their inter-relationship: Short Run and Long Run.
- 1.2: Concepts of Revenue and their inter-relationship; Break-Even Analysis.

**Unit 2: Market Structure**

- 2.1: Forms of Market: perfect and Imperfect Markets: Salient Features.
- 2.2: Equilibrium of the Firm and Industry under Perfect Competition.
- 2.3: Monopoly: Price and Output Determination; Price Discrimination.
- 2.4: Monopolistic Competition: Price and Output Determination.

**Unit 2: Factor Pricing**

- 2.1: Marginal Productivity Theory of Distribution.
- 2.1: Theories of Wage determination: Demand and Supply Theory and Collective Bargaining.
- 2.3: Rent: Scarcity Rent; Differential Rent.
- 2.4: Interest: Classical and Keynesian Theories.
- 2.5: Profit: Innovation and Risk Theories.

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**Semester VI**

**Paper VI**

**Public Finance and International Trade**

\* The question paper shall contain a total of eight questions out of which any four will have to attempted.

**Unit 1: Nature and Scope of Public Finance**

- 1.1: Meaning and Scope of Public Finance; Public Finance and Private Finance.
- 1.2: Principle of Maximum Social Advantage.

**Unit 2: Public Revenue and Expenditure**

- 2.1: Sources of Public Revenue.
- 2.2: Taxation: Meaning and Classification.
- 2.3: Impact and Incidence of Taxes; Effects of Taxation.
- 2.4: Meaning, Classification and Principle of Public Expenditure.
- 2.5: Effects of Public Expenditure.

**Unit 3: International Trade**

- 3.1: International Economics: Definition, Nature and Importance.
- 3.2: Inter-Regional and International Trade.
- 3.3: Gains from Trade: Their Measurement and Distribution.
- 3.4: Theory of Comparative Costs; Heckcher-Ohlin Theory.
- 3.5: Free Trade vs. Protection.

**Unit 4: International Financial Institutions**

- 4.1: I.M.F. and I.B.R.D.: Their Objectives and Functions.