

Scheme of B.A.-II (Economics) (General) Semester System w.e.f. 2011-12

2nd Year

Semester-III

Macro Economics – I 80 20

Semester-IV

Macro Economics –II 80 20

B. A. Part II (Economics) Semester- III Paper 2: Macro Economics – I

**Max. Marks: 80
Internal Assessment: 20
Time : 3 hours**

Note: -The question paper will consist of 9 questions. The candidate will be asked to attempt 5 questions in all selecting one question each from the three units and the fourth question may be attempted from any unit. Question 1 shall be compulsory consisting of objective type (filling blanks, true/false, multiple choice) nine questions of two marks each and spread over the entire syllabus. All questions will carry equal marks.

Unit – I

Introduction to Macro Economics and National Income:

Macro Economics and Open Macro Economics; scope meaning importance and limitations. Concepts of National Income including potential GDP; measurement of National Income; product method; income method; expenditure method; their importance and limitations.

Unit – II

Determination of Income and Employment:

Say's law of Market; Classical theory of employment; Keynesian theory of employment; Comparison between classical and Keynesian theory; Consumption function and its determinants; Psychological law of consumption; Investment function: meaning, kinds and determinants; marginal efficiency of capital.

Unit – III

National Income Determination and Open Economy:

Impact of changes in Govt. Expenditure and taxes. Investment multiplier; Accelerator; Trade Cycles: meaning phases causes and control; Samuelson and Hick's Theories of Trade Cycle;.

Unit –IV

Monetary System:

The Demand and supply of money: concepts, functions and significance; Quantity Theory of Money; Fisher's Approach and Cambridge Quantity Theory; Keynesian Liquidity Theory of Money; Supply of Money: Meaning and Determinants; measuring the money supply; Money and Credit; Credit Creation; Money Multipliers;

Suggested Readings:

1. R.G. Lipsey and K.A. Chrystal, "Principles of Economics" (9th Ed.) Oxford University Press.
2. Ackley, G (1978), "Macroeconomics: Theory and Policy", Macmillan, New York.
3. Branson, W.A. (1989), "Macroeconomic Theory and Policy", (3rd Ed.), Harper & Row, New York.
4. Shapiro, E (1996), "Macroeconomic Analysis", Galgotia Publication, New Delhi.
5. Joseph E. Stiglitz and Carl E. Walsh (2002) "Principles of Macroeconomics", W.W. Norton & Company, New York.
6. Samuelson Paul and Nordhaus: (2005) "Economics" (18th ed.) Tata Hill Publishing Company, New Delhi.
7. Mankiw N. Gregory: (2007) "Principles of Economics", Thomson, Indian Reprint.
8. Lipsey R.G. and K.A. Chrystal (2007) "Economics", Oxford University Press. Oxford.
9. Goodwin Neva, J. A. Nelson & J. Harris (2009) "Macroeconomics in Context", PHI Learning Pvt. Ltd, New Delhi.
10. Taylor Lance (2008), "Reconstructing Macroeconomics", Viva Books, Harvard University Press, USA.
11. Dornbusch R, S. Fischer & R. Startz (2009) "Macro Economics" Tata McGraw Hill Publishing Company Ltd. New Delhi.

12.

B. A. Part II (Economics)
Semester- IV
Paper 2: Macro Economics – II

Max. Marks: 80
Internal Assessment: 20
Time: 3 hours

Note: -The question paper will consist of 9 questions. The candidate will be asked to attempt 5 questions in all selecting one question each from the three units and the fourth question may be attempted from any unit. Question 1 shall be compulsory consisting of objective type (filling blanks, true/false, multiple choice) nine questions of two marks each and spread over the entire syllabus. All questions will carry equal marks.

Unit – I

Money Growth and Inflation:

The Classical Theory of Inflation; The classical Dichotomy and Monetary Neutrality; Case Studies: Money and Prices during four Hyper Inflations; The Inflation Tax; The Fisher effect; The Cost of Inflation: A fall in purchasing power; Shoe Lather Cost; Menu Cost; Relative- price variability and the misallocation; Inflation induced Tax Distortions; Case study: the free silver debate. Demand pull and cost push theories of Inflations; Effects and control of Inflation.

Unit - II

Banking and Financial System:

Banking: Functions of Central Banks; Function of Commercial Banks; Recent Reforms in Banking Sector; The relationship between Saving, Investment and the Financial System. Present Value: Measuring the Time value of Money; Managing Risk and Asset Valuation: Basic Idea.

Unit - III

Public Economics:

Nature and Scope of Public Finance; The Principle of Maximum social advantage; Classifications; Canons and effects of Public Expenditure; Canons and Effects of Taxation; Impact and incidence of taxation; Characteristics of good taxation systems; Public debt: Sources and effects.

Market Failure: Market efficiency, Reasons for Market failure, Public goods and externalities.

Unit - IV

International Trade:

Interregional and International Trade; Theory of comparative cost; Heckscher –Ohlin Theory; Gains from Trade; Their Measurement and Distribution; Trade as an engine of Economic Growth; Balance of Payments and balance of trade.

Suggested Readings:

1. Mankiw, Principles of Economics (4th Ed.), First Indian Reprint 2007, Chapter 26, 27 and 30.
2. R.G. Lipsey and K.A. Chrystal, “Principles of Economics” (9th Ed.) Oxford University Press.
3. Ackley, G (1978), “Macroeconomics: Theory and Policy”, Macmillan, New York.
4. Branson, W.A. (1989), “Macroeconomic Theory and Policy” (3rd Ed.), Harper & Row, New York.
5. Shapiro, E (1996), “Macroeconomic Analysis” Galgotia Publication, New Delhi.
6. Joseph E. Stiglitz and Carl E. Walsh (2002) “Principles of Macroeconomics”, W.W. Norton & Company, New York.
7. Ackley, G (1978), “Macroeconomics: Theory and Policy”, Macmillan, New York
8. Stiglitz J. E. and Carl E. Walsh (2002) Principles of Macroeconomics, W.W. Norton & Company, New York.
9. Samuelson Paul and Nordhaus: (2005) “ Economics” (18th ed.) Tata Hill Publishing Company, New Delhi.
10. Lipsey R.G. and K.A. Chrystal (2007) “Economics”, Oxford University Press. Oxford.
11. Goodwin Neva, J. A. Nelson & J. Harris (2009) “Macroeconomics in Context”, PHI Learning Pvt. Ltd, New Delhi.
12. Taylor Lance (2008), “Reconstructing Macroeconomics”, Viva Books, Harvard University Press, USA.
13. Dornbusch R, S. Fischer & R. Startz (2009) “Macro Economics” Tata McGraw Hill Publishing Company Ltd. New Delhi

Scheme of B.A. , 2nd (Economics Hons.) Semester System

B.A.Part-2

Semester-3

Paper-305	Money & Banking
Paper-306	Issues in Indian Economy
Paper-307	Development Economics & Planning

Semester-4

Paper-408	Public Economics
Paper-409	Sectoral Development & Policies in India
Paper-410	Mathematics for Economics

B.A. 2nd (Eco. Hons.) 3RD SEMESTER Paper - 305 Money & Banking

Theory Paper: 80
Internal assessment: 20

The Question paper will have Nine questions, including two questions from each unit. The candidate will be required to attempt **Five** questions in all. Question number one will be compulsory and it will have **nine** objective type questions (each carrying 2 marks) uniformly spread over entire syllabus. Out of the remaining eight questions (each carrying 18 marks), the candidate will be required to attempt four questions selecting one from each unit.

Unit-1

Money: Functions, Classification and Significance; Money Supply: Determinants, Alternative Measures of Money Supply in India (concepts only); Money and Capital Market: Structure, Instruments, Role; Developed and Under-Developed Money Markets.

Unit-2

Banking: Commercial Banks- Functions and Importance, Process of Credit Creation; The Reserve Banking of India: Functions and Instruments of credit control, Recent Monetary Policy of RBI.

Unit-3

Financial sector: Money and Capital Markets in India: Structure, Functions and Significance; SEBI: Powers and Functions; Non-Bank Financial Intermediaries- Role and Significance; Recent Financial Sector Reforms in India.

Unit-4

Exchange Rate Determination: Fixed and Flexible, Theories of Exchange Rate: Mint Par, Purchasing Power Parity, Balance of Payments Theory.

Suggested Reading:

1. Bailey Roy (2005) [The Economics of Financial Markets](#)
2. D.M. Mithani: Money, Banking and Public Finance

3. A.D. Bain (1992) [Economics of the Financial System](#)
4. Suraj.B.Gupta: Monetary Economics - Institutions, Theory & Policy;S Chand publications
5. Suraj.B.Gupta:Monetary Planning for India
6. Khan,MY: Indian Financial System;Tata-McGrawhill
7. M.K. Lewis (2000), *Monetary Economics*, OUP
8. M.R. Baye, D.W. Jansen (1996), *Money Banking and Financial Markets*, AITBS, (Indian Edition)
9. Maurice Levi (1999), *International Finance*, Tata McGraw Hill
10. L.M. Bhole (1999), *Financial Institutions and Markets*, Tata Mcgraw Hill
11. R.R.Paul “Monetary Economics”
12. R.B.I. *Bulletin, Annual Report; Report on Currency and Finance*
13. R.B.I. - Report of the Committee on the Financial System (Narasimham Committee Report I)

B.A. 2nd (ECO. HONS)
3rd SEMESTER
Paper - 306
Issues in Indian Economy

Theory Paper: 80
Internal assessment: 20

The Question paper will have Nine questions, including two questions from each unit. The candidate will be required to attempt **Five** questions in all. Question number one will be compulsory and it will have **nine** objective type questions (each carrying 2 marks) uniformly spread over entire syllabus. Out of the remaining eight questions (each carrying 18 marks), the candidate will be required to attempt four questions selecting one from each unit.

Unit-1

Basic Issues: Over population, poverty, unemployment, inequality, urbanization and Problems of civic amenities, Backwardness, rural- urban migration.

Unit-2

Regional Issues in India's Economic Development: Regional imbalances and Economic backwardness, Causes and remedies.

Haryana Economy: Basic Features, Growth and Sectoral Distribution of State Domestic Product. (SDP); Declining sex- Ratio and its social and economics implications; Regional disparities in Haryana; Globalization in Haryana Economy: Concept of effective cities and poverty eradication in haryana.

Unit-3

Human Resource Development: Role of Education and health: issues, problems & policies; Labor productivity: Issues, policies and programmes, Gender and Development.

Unit-4

Economic Reforms in India: Liberalization, privatization and Globalization: Need & Rationale; An Appraisal of Economic reforms in India; Competitiveness of Indian trade and Industry: Special Economic Zones, Highlights of Current Five Year Plan.

Suggested Readings:

1. M.P. Todaro & Smith, Economic Development in the Third World. Addison-Wesley. 6th ed.
2. Uma kapila, Indian Economy: Issues in Development and Planning & Sectoral Aspects (2005). Academic Foundation.
3. Arvind Virmani. Accelerating Growth and Poverty reduction: A Policy Framework for India's Development (2004)
4. Government of India, Economic Survey (latest)
5. Government of India, Five Year Plan, (latest)
6. Government of India. Finance Commission Report (Latest Ed.)
7. Ray, Debraj, (1998)Development Economics, Princeton University Press,
8. Banerjee, Abhijit, Ronald Benabon and Dilip Mookerjee (ed.), Understanding Poverty, OUP, 2006.

9. Statistical Abstract Haryana and Economic Survey of Haryana published by Department of Economic and Statistical Analysis Haryana (latest)
10. Datt, Rudar & K.P. Sundaram, "Indian Economy" S. Chand & Company (Latest Ed.).
11. Mishra S. K. & V. K. Puri, "Indian Economy", Himalya Publishing House (Latest Ed.).

B.A. 2nd (ECO. HONS)
3rd SEMESTER
Paper-307
Development Economics & Planning

Theory paper: 80
Internal assessment: 20

The Question paper will have Nine questions, including two questions from each unit. The candidate will be required to attempt **Five** questions in all. Question number one will be compulsory and it will have **nine** objective type questions (each carrying 2 marks) uniformly spread over entire syllabus. Out of the remaining eight questions (each carrying 18 marks), the candidate will be required to attempt four questions selecting one from each unit.

Unit-1

Basic Concepts of Economic Development: Economic growth and Development, concept of underdevelopment and Basic Characteristics; Determinants & Measurement of economic development; Sustainable economic development.

Unit-2

Theories of Economic Development: Adam Smith, Mill, Other theories (Karl Marx, Schumpeter

Unit-3

Different Approaches to Development: Vicious Circle of Poverty, Lewis' dual economy model, Leibenstein critical minimum effort theory, balanced vs. unbalanced growth theories.

Unit-4

Economic Planning and Policy: Development Planning: Rationale, Strategies and objectives of Planning; Role of State & Capital formation in economic development.

Suggested Readings:

1. Adelman, I, (1961), Theories of Economics Growth and Development, Stanford University Press, Stanford.
2. Barro, R. and X. Salai- Martin, Economics Growth, McGraw Hill, New York.
3. Chakravarti, S. (1982), Alternative Approaches to the Theory of Economic Growth, Oxford University Press, New Delhi.
4. Ghatak, S. (1986), An Introduction to Development Economics, Allen and Unwin, London.
5. Higgins, B.(1959), Economic Development, W.W. Norton, New York.
6. Kindleberger, C. P. (1977), Economics Development, (3rd Edition), McGraw Hill, New York.
7. Meier, G.M. and J.E. Rauch (2005), Leading Issues in Economics Development, (8th Edition), Oxford University Press, New Delhi.
8. Todaro, M.P. and S.C. Smith (2003), (8th Edition), Economics Development, Pearson Education, Delhi.
9. Thirlwal, A.P. (1999), (6th Edition), Growth and Development, Macmillan, U.K.
10. Mishra S.K. and V.K. Puri 'Economics Development and Planning. (Latest Edition)
11. Myer and Taneja 'Economics Development and Planning (latest Edition). Kalyani Publishers.
12. Lekhi, R.N. 'Economics of Development and Planning', (Latest Edition)

B.A. 2nd (ECO. HONS)

4TH SEMESTER

Paper-408

Public Economics

Time: 3 Hours

Theory Paper: 80
Internal assessment: 20

The Question paper will have Nine questions, including two questions from each unit. The candidate will be required to attempt **Five** questions in all. Question number one will be compulsory and it will have **nine** objective type questions (each carrying 2 marks) uniformly spread over entire syllabus. Out of the remaining eight questions (each carrying 18 marks), the candidate will be required to attempt four questions selecting one from each unit.

Unit-1

Introduction: Nature & Scope of Public Economics; Public Goods: Concept, Characteristics & Types; Efficient Provision of Public Goods, Market Failure and Externalities; Principle of Maximum Social Advantage.

Unit-2

Public Revenue: Taxation: Meaning, Classification , Canons and Effects; Impact and Incidence of taxes: Concept and factors ; Public Debt: sources, Methods of Debt Redemption, Effects of Public Borrowing .

Unit-3

Public Expenditure: Meaning, Classification , Canons and Effects, Factors affecting Public Expenditure, Wagner's Law, Peacock- Wiseman Hypothesis;

Unit-4

Budget: Concepts of revenue and capital expenditure, deficit types

Fiscal Federalism: Fiscal Federalism in India, Centre –State Financial Relations, Latest Finance Commission Report.

References

Bailey Roy (2005) [The Economics of Financial Markets](#)

DM Mithani: Money, Banking and Public Finance

A.D. Bain (1992) [Economics of the Financial System](#)

Suraj.B.Gupta: Monetary Economics - Institutions, Theory & Policy;S Chand publications

Suraj.B.Gupta:Monetary Planning for India

Khan,M.Y: Indian Financial System;Tata-McGrawhill

R.K. Lekhi: Public Economics

M.K. Lewis (2000), *Monetary Economics*, OUP

M.R. Baye, D.W. Jansen (1996), *Money Banking and Financial Markets*, AITBS, (Indian Edition)

Maurice Levi (1999), *International Finance*, Tata McGraw Hill

L.M. Bhole (1999), *Financial Institutions and Markets*, Tata Mcgraw Hill
R.B.I. *Bulletin, Annual Report; Report on Currency and Finance*
R.B.I. - Report of the Committee on the Financial System (Narasimham Committee
Report I)
Joseph Stiglitz, *Economics of the Public Sector*, 3rd Ed , W.W. Norton & Co; New- York/London

Paper-409

Sectoral Development & Policies in India

Theory Paper: 80
Internal assessment: 20
Time: 3 Hours

The Question paper will have Nine questions, including two questions from each unit. The candidate will be required to attempt **Five** questions in all. Question number one will be compulsory and it will have **nine** objective type questions (each carrying 2 marks) uniformly spread over entire syllabus. Out of the remaining eight questions (each carrying 18 marks), the candidate will be required to attempt four questions selecting one from each unit.

Unit-1

Infrastructure in Indian Economy: Irrigation, Energy, Telecom, Transport, Health and Education (problems and prospects)

Unit-2

Agriculture: Nature and Importance, Major production and productivity trends, Land Reforms, Green Revolution , Agricultural Marketing.

Unit-3

Industry : Industrial sector at the time of independence, Growth of industry in recent years, Small Scale Industries, Industrial policy of 1956, 1991 and latest Policy.

Unit-4

Financial institutions for sectoral Development: Purpose and Functioning of NABARD, IFCI, ICICI, IDBI, SIDBI and EXIM Bank.

References

PN Dhar: Evolution of Economic Policy in India

IG Patel: Glimpse of Indian Economic Policy

Dreze Jean&Amartya Sen:Indian Development Selected Regional Perspective

RC Dutt: Problems of India's Development

Mishra&Puri:Indian Economy

I.C. Dhingra: Indian Economy

A.N. Aggarwal: Indian Economy

Paper-410

Mathematics for Economics

Theory Paper: 80
Internal assessment: 20
Time: 3 Hours

The Question paper will have Nine questions, including two questions from each unit. The candidate will be required to attempt **Five** questions in all. Question number one will be compulsory and it will have **nine** objective type questions (each carrying 2 marks) uniformly spread over entire syllabus. Out of the remaining eight questions (each carrying 18 marks), the candidate will be required to attempt four questions selecting one from each unit.

Unit-1

Elementary Set Theory: Operations on sets; Ordered Pairs, Cartesian products of Sets.

The Real numbers: Natural Numbers, Integers, rational and Irrational Numbers.

Functions: Types of Functions; function in economic theory: Revenue, cost, demand, production and profit functions, limit and continuity of functions.

Unit-2

Matrices and determinants : Addition and matrix Multiplication determinants: Minors and Cofactors, inverse of a matrix and Cramer's Rule

Input Output analysis: Basic idea only.

Unit-3

Simple derivatives : First Principle Method, Rules of Differentiation, Economic applications.

Partial Derivatives: Basic idea of Partial Derivatives.

Unit-4

Maxima and Minima : Unconstrained Maxima and minima(one variable only) with economic applications;

Integration: Basic Rules of integration, Application of integration in Economics (Consumer and producer surplus only)

References

A.C. Chiang: fundamental Methods of mathematical Economics.

Knut Sydsaeter and peter J. Hammond : Mathematics for Economic Analysis.

D.R. Aggarwal: Quantitative Methods

TR Jain, S.C. Aggarwal and R.K. Rana : Basic Mathematics for economists

R.G.D. Allen: Basic Mathematics