

## M.A. FINAL ECONOMICS

### PAPER-I MACRO ECONOMIC ANALYSIS

(Question will be set from each Unit / Section)

- UNIT-I National Income and Accounts :** Circular Flow of Income in two-three and four sector economy; different forms of national income accounting - social accounting input-output accounting flow of funds accounting and balance of payments accounting .
- UNIT-II keynes theory of employment :** psychological law of consumption implication of the law short-run and long-run consumption function Income- payment income hypotheses Investment Function Marginal efficiency of investment and level of investment; marginal efficiency of capital and investment-long run and short run; The multiplier accelerator and investment behaviour -impact of inflation; Influence of policy measures on investment.
- UNIT-III Theory of Money :** classical approach to demand for money-Quantity theory approach, Fisher's equation, Cambridge Quantity theory, Keynes's liquidity preference approach, precautionary and speculative demand for money-aggregate demand for money; Derivation of LM curve. Post- Keynesian approaches to demand for money- Pankaj and the Real Balance Effect, approaches of Boumol and Tobin; Friedman and the modern quantity theory; Crisis in Keynesian economics and the revival of monetarism.
- UNIT-IV Supply of Money :** A behavioural model of money supply determination a demand determined money supply process; RBI approach to money supply; High powered money and multiplier; budget deficits and money supply money and open economy; control of money supply Theory of Inflation : Classical, Keynesian and Monetarist approaches to inflation; Structuralist theory of Inflation; Philips curve analysis- Short run and long run Philips curve; Samuelson and Solow- the natural rate of unemployment hypothesis: Tobin's modified Philips curve; adaptive expectations and rational expectations: Policies to control inflation.
- UNIT-V Business cycles :** Theories of Schumpeter, Kaldor, Samuelson and Hicks; Control of business cycles - relative efficacy of monetary and fiscal policies.

## PAPER-II INTERNATIONAL TRADE AND FINANCE

(Questions will set from each Unit/Section)

- UNIT-I**     **Theory of International Trade** - Theories of absolute advantage, comparative advantage and opportunity cost theory of international trade: Theorem of factor price equalisation; Empirical testing of theory of absolute cost and comparative cost-Heckscher-ohlin theory of trade.
- UNIT-II**     **Measurement of Gains and Theory of Interventions** - Measurement of gains from trade and their distribution; concepts of terms of trade, their uses and limitations; Trade as an engine of economic growth; welfare implications- The Theory of Interventions (Tariffs, Quotas and non-tariff barriers); Economic effects of tariffs and quotas on national income, output, employment, terms of trade, income distribution.
- UNIT-III**    **Balance of payments** - Meaning and components of balance of payments; Equilibrium and disequilibrium in the balance of payments; The process of adjustment under systems of gold standard, fixed exchange rates and flexible exchange rates; A critical review of the monetary approach to the theory of balance of payments adjustment; Foreign trade multiplier with and without foreign repercussions and determination of national income and output; Relative merits and demerits of fixed and flexible exchange rates in the context of growth and development in developing countries.
- UNIT-IV**    **The theory of Regional Blocks** : Forms economic cooperation; Reforms for the emergence of trading blocks at the global level; Static and Dynamic effects of a customs union and free trade areas; Rationale and economic progress of **SAARC/SAPTA** and **ASEAN** regions. Problems and prospects of forming a customs union in the Asian region. Regionalism (**EU, NAFTA**); Multilateralism and **WYO**; Rise and fall of gold standard and Bretton-woods system; Reform of the International Monetary System, India and developing countries; Theory of shortterm capital movements and East-Asian Crisis and lessons for developing countries; International trade and financial institutions - Functions of **GATT/WTO (TRIPS, TRIMS), UNCTAD, IMF, World Bank** and Asian Development Bank- Their achievements and failures; **WTO and world Bank** from the point of view of India .,
- UNIT-V**     **Trade Policies in India** - Trade problems and trade policies in India during the last five decades; Recent changes in the direction and composition of trade and their implications; Rationale and impact of trade reforms since 1991 on balance of payments, employment and growth, Problems of India's international debt; Working and regulations of MNCs in India; Instruments of export promotion and recent and export policies and agenda for future.

## PAPER-III INDIAN ECONOMIC POLICY

(Questions will be set from each Unit/Section)

- UNIT-I** Economic Development Planning; Approaches to economic development and its measurement- sustainable development; Role State, market and other institutions; Objectives and strategy of planning; failures and achievements of plans; Developing grass-root Panchayats , NGOs and pressure groups.
- UNIT-II** Demographic Features, Poverty and inequality; Broad demographic features of Indian Population; Rural-urban migration Urbanization and civic amenities; Poverty and Inequality ; Energy; Social infrastructure- education and health; environment; Regional imbalance; Issues and policies in financing infrastructure development.
- UNIT-III** The Agricultural Sector; Institutional - land reforms in India; Technological change in agriculture- pricing of agricultural inputs and output; Terms of trade between agriculture and industry; Agricultural finance policy; Agricultural Marketing and Warehousing; Issues in food security- policy for sustainable agriculture; Industrial policy; public Sector enterprises and their performance; Problem of sick units in India. Privatization and disinvestment debate; growth and pattern of industrialization; Small-scale sector productivity in industrial sector; exit policy- issues in labour market reforms; Approaches for employment generation.
- UNIT-IV** Banking and Public Finance; analysis of price behaviour in India; Financial sector reforms; interest rate policy; Review of monetary policy of RBI; Money and capital markets; Working of SEBI in India; Fiscal federalism- Center-state financial relations; Finances of central Government; Finances of state governments; Parallel economy; Problems relating of fiscal policy; Fiscal sector reforms in India.
- UNIT-V** Economic Reforms; Rationable of internal and external and external reforms; Globalization of Indian economy; W.T.O. and its impact on the different sectors of the economy.

## PAPER-IV (A) PUBLIC ECONOMICS

(Question will be set from each Unit / Section)

- UNIT-I** **Introduction** : Role of Government in organized society : changing Perspective -government in a mixed economy: public and private sector, cooperation or competition; Government as an agent for economic planning and development. Public Choice private and public mechanism for allocating resources; problem for allocating resources: rational for public policy : Allocation of resources - provision of public goods; (contributions of Samuelson and Musgrave); provision of infrastructure facilities removing distributional inequalities and regional imbalances.
- UNIT- II** **Public Expenditure** : pure theory of public expenditure; Structure and growth of public expenditure: criteria for public investment; Social cost- benefit analysis project evaluation Estimation of costs discount rate: Reforms in expenditure budgeting; Programme budgeting and zero base budgeting.
- UNIT- III** **Taxation** : Theory of incidence; Alternative concepts of incidence- Allocative and equity aspect of individual taxes; benefit and ability to pay approaches; theory of optimal taxation; Excess; Revenue of the Union States and local bodies major tax forms in direct and indirect taxes, on service Non tax revenue of Centre State and local bodies; Analysis of central and State government Budgets.
- UNIT- IV** **public Debt** : Classical view public debt; Compensatory aspect of debt policy Burden of public debt; sources of public debt; Debt through created money public borrowings and price level Objective of fiscal policy - interdependence of fiscal and monetary policies budgetary deficits and implications.
- UNIT- V** **Fiscal Federalism** : principles of multi-unit finance; Fiscal federalism in india, Vertical horizontal imbalance; Assignment of function and sources of revenue: Constitutional provisions; Finance Commission and planning Commission; Devolution resources and grants ; theory of grants; Resource transfer from Union to State - Criteria for transfer of resources; Centre- State financial relations in india; Problems of State resources and indebtedness; Transfer of resources from Union and State to local bodies.

## PAPER-VI (B) AGRICULTURAL ECONOMICS

(Questions will be set from each Unit / Section)

- UNIT-I**     **Agriculture and Economic Development** : nature and scope of agricultural and rural economic role of agriculture in economic development ; Interdependence between agriculture and industry; Agricultural development poverty and environment, Livestock economic - Livestock resources and their productivity White revolution; Fishery and poultry development; Forestry; Horticulture and floriculture Issue and problem in rural industrialization and development of agro-based industries.
- UNIT-II**     **Economics of Rural Infrastructure** : Use of Land water and energy ; Rural transport communication banking extension services role, motives and problem of rural electrification; Rural social infrastructure. Land Tenures and farming systems - Land reform measures and performance; Women and Land reforms problems of Marginal and small farmers.
- UNIT-III**   **Agriculture Production and Productivity** : Agricultural Production Resource use and efficiency; Production function analyses in agriculture; Factor combination and resource substitution; Cost and supply curves; size of farm and laws of return - Theoretical and empirical findings; Farm budgeting and cost concepts; Supply response of individual crops and aggregate supply; Resource use efficiency in traditional agriculture; Technical change, Labour absorption and gender issues in agricultural services.
- UNIT-IV**   **Rural Labour Market** : Rural labour supply; Nature, extent and trends in rural unemployment; Agricultural wages in India; Male-female wage differences; Non-agricultural rural employment - Trends and determinants. Role of capital and rural credit; Organized and unorganized capital market; Rural savings and capital formation; Characteristics and sources of rural credit - Institutional and non-institutional; Reorganization of rural credit - cooperative, commercial banks, regional rural banks; Role of NABARD.
- UNIT-V**     **Agricultural Prices and Agricultural growth** : Behaviour of agricultural prices - Cobweb model; Prices and income stability; State policy with respect to agricultural marketing; Warehousing; Prices; Taxation and crop insurance; Terms of trade between agricultural and non-agricultural prices; Objectives of agricultural price policy-food security in India and public distribution system. Recent trends in agricultural growth in India; Cropping pattern shifts; Supply of inputs; Pricing of inputs and role of subsidies; Distribution of gains from technological change; Role of Public investment and capital formation in Indian agriculture; strategy of agricultural development and technological progress; Bio-technological practices and growth potential. Agriculture and external sector : International trade in agricultural commodities; Commodity agreements - Role of World Trade Organization; Issues in liberalization of domestic and international trade in agriculture.