

Department of Economics

Programme Specific Outcome (B.A. Economics)

Economics is the study of how societies, governments, businesses, households, and individuals allocate their scarce resources and how they interact with each other in producing and maintaining livelihoods. The subject 'Economics' is intellectually fascinating and challenging. The discipline of economics has mainly two important features. First, economists develop conceptual models of behaviour to predict responses to changes in policy and market conditions. Second, they often perform statistical analysis to investigate these changes. Early economists like Physiocrats and Mercantilists were advisors to the rulers of their time. In the present time, economists are everywhere from performing advisory functions to policy formulations. They also contribute to the development of many other public policies traversing across a wide dimension of subjects including health care, climate change, social welfare, school reforms, labour market dynamics, economic development and efforts to reduce inequality, poverty, unemployment, regional disparity, pollution etc. Technology, economic institutions, peoples' preferences and biology are some of the important determinants of economic outcomes. Economists aspire for a better world where their subject will secure conditions in which all the people flourish and live with happiness.

Study of economics helps a person in understanding of human behaviour and in cultivating analytical and argumentative skills that are crucial for winning job in the present-day job market. With the drastic transformation of the economy in the recent decades, there is a growing

SEMESTER - I

Paper:101

Title of the paper: Indian Economy

Course outcome:

On successful completion of this course students will be able to -

1. The concept of national income
2. The features of Indian economy
3. Economic development and environment
4. Features of Indian agriculture
5. Industrialization
6. Foreign trade

Course objective:

Unit - I Studies national income concepts, characteristic of Indian economy.

Unit -II Studies about the natural resources, environment and development.

Unit - III Analyze the Agriculture and its allied activities.

Unit - IV Studies industrialization and industrial development in India.

The **last fifth unit** examines the socio- economic problem i.e. poverty and unemployment, various economic planning and foreign trade

SEMESTER - II
Paper: 202
Title of the paper: Microeconomics-I

Course outcome:

At the end of the course students will be able to -

1. Understand the theme of microeconomics i.e., trade-offs, prices and markets, equilibrium, theories and models, positive and normative analysis, definition of market, Competitive and noncompetitive market - demand curve and supply curve – market mechanism – change in market equilibrium.
2. Demonstrate the cardinal utility theory, the indifference curve theory, the revealed preference hypothesis, the consumer's surplus - the derivation of market demand, elasticities of demand-market demand, total and marginal revenue.
3. Understand the theories of productions, the production function for a single product, laws of production, technological progress and the production function –Equilibrium of the firm; maximization of output subject to a cost constraint, minimization of cost a given level of output – Optimal expansion plan in the short and long run – production function of a multi-product firm – the traditional and modern theory of cost, concept of economics of scale. Production function and the technological progress.
4. Perfect competition: Assumptions, short and long run equilibrium of the firm and industry; Monopoly: short run and long run equilibrium of the monopolist.
5. Price discrimination: Assumptions and effects of price discrimination, price discrimination and elasticity of demand; Equilibrium of the firm under monopolistic competition, product differentiation and the demand curve; Oligopoly: Duopoly model, Kinked demand curve

RECOMMENDED READINGS:

1. Microeconomic theory 4th Revised and enlarged edition, ML Jhingan.
2. Modern Microeconomics Second edition, A. Koutsoyiannis.
3. Microeconomics analysis by RR Barthwal.
4. Microeconomics by M.L. Seth

SEMESTER -III
Paper: 303
Title of the paper: Microeconomics - II

Course outcome:

On successful completion of this course students will be able to -

1. Explain consumers 'and firms 'behaviour using mathematical tools.
2. Enables apply economic theory to diverse real-world situations.
3. Analyze economic problems and prescribe solutions.
4. Analyse the government policies to lessen negatives externalities and further analyze how the government promotes positives externalities.

Course objectives:

The first unit studies marginal productivity theory of distribution, theory of wages, and illustrate different theories of interest and profits. And determinants of firm's demand for factor services demonstrate monopsony in factor market and factor market equilibrium.

The second unit studies about the General equilibrium analysis, Walrasian General equilibrium analysis, Factor prices and employment.

The third units analyse the welfare economics, the Pareto-criterion, Kaldor-Hicks compensation criterion, Bergson social welfare function, welfare profit maximization under perfect competition.

Fourth unit studies externalities, public goods and private goods preference, private public goods principal agent problems.

The last fifth unit examines the various complex markets with asymmetric information, moral hazard, market signaling.

SEMESTER - IV
Paper:404
Title of the paper: Macroeconomics

Course outcome:

On successful completion of this course students will be able to -

1. Enables to perform the calculation of national income.
2. Understanding the functioning of a whole Economy.
3. Helps in Formulation of Economic Policies.
4. Understanding and Controlling Economic Fluctuations.

Course objective:

Unit-I Define and explain the process of calculating national income, identify its components, demonstrate circular flow of income.

Unit-II Understanding Say's law of market, classical theory of employment and Keynes objection to the classical theory; demonstrate the principle of effective demand and income determination, Consumption function, relationship between APC and MPC, consumption and income, concept of multiplier and analyse the theories of absolute and relative income hypotheses.

Unit - III Studies IS-LM Neo-classical synthesis of money market and product market, the relationship between investment and savings, demonstrate investment multiplier and the meaning of MEC and MEI. Aggregate demand and Aggregate supply, determination of national income, theories of interest rate.

Unit-IV Illustrate the meaning of inflation, deflation, stagflation and different kinds of inflation, causes and effects of inflation on different sectors of the economy and different measures to control inflation. Function of money, high powered money, monetary and paper system; illustrate various version of quantity theory of money.

Unit -V Explain economic theories, illustrate Harrod-Domar and Solow's growth model, distinguish between economic growth and technical progress

SEMESTER - V

Paper:505

Title of the paper: Public Finance

Course Outcome:

1. To know about Public Finance
2. To examine the Taxes of the Government
3. To analyse the development and government finance
4. To know about the budget
5. To know about the Centre-state financial relation

Course Objectives:

The specific objective of the study of Public finance is to examine and analyse the following:

1. Public Finance: Nature and Scope of Public Finance Fiscal Functions, The principle of Maximum Social Advantage, Provision of social Goods.
2. Techniques of budgeting, principles of budgeting- Government budgeting: Budgetary procedure preparation of the budget, Revenue accounts, Capital Accounts, Public Account.

Performance budgeting- meaning and need of performance budgeting.
3. Principle of Taxation: Equity: Horizontal and Vertical Equity Incidence of Taxes, Efficiency Criteria-Tax Evasion, Taxable Capacity: Absolute and Relative Taxable Capacity Factors Determining Taxable Capacity, Limit of Taxable Capacity Features of VAT, GST, DTC.
4. Public Expenditure Factor Affecting Public Expenditure Wagner's Law and Peacock Wiseman Hypothesis Effects of Public Expenditure on Production, Distribution and Economic Stability, Public Borrowings: Internal and External Role of public borrowing in Mobilization of Resources Burden of External and Internal Public Debts
5. Fiscal Federalism: Meaning of Fiscal Federalism, Centre State Financial Relations: Constitutional Provision in India, The Formulae for Devolution of Shareable Taxes, Grants-in-aids by the Latest Finance Commission, Fiscal Policy in India, FRBM Act and Its Implications, Local Bodies and their Financial Responsibilities

SEMESTER - VI
Paper:506
Title of the paper: Political economy

Political economy is the study of production and trade and their relations with law, custom and government; and with the distribution of national income and wealth. As a discipline, political economy originated in moral philosophy, in the 18th century, to explore the administration of states' wealth, with "political" signifying the Greek word polity and "economy" signifies the Greek word "okonomie" (household management). The earliest works of political economy are usually attributed to the British scholars Adam Smith, Thomas Malthus, and David Ricardo, although they were preceded by the work of the French physiocrats, such as François Quesnay (1694–1774) and Anne-Robert-Jacques Turgot (1727–1781).

Course outcome:

On successful completion of this course students will be able to -

1. Understand the origination of economics.
2. It helps in understanding the relation between economics, politics and society.
3. Comprehending the historical development of the different social formation corresponding to the different mode of production.
4. Enables to compare the past and present institutions which governs the society
5. It also gives light of knowledge regarding the past feudal structures that prevail before the arrival of British and during British rule in India.

Course objective:

Unit - I To study the relationship between political, social and economy of the past early century, the genesis of the subject economics and how it was studied as a whole along with the society and politics till up to the late 18th century. It also includes scope and subject matters of studying political economy.

Unit - II To study about the evolution of the society and how the different social formation were formed corresponding to the changes in the mode of production. It also studies the five different social formations according to Karl Marx i.e. primitive communism, slavery, feudalism, capitalism and socialism. It also analyses the feudalism prevalent in the Western Europe.

Unit - III To analyse about the capitalism that prevailed in the western country in the 18th to 20th century and their implication in the third world countries. The growth of MNC, Neo-colonialism of the western developed countries.

Unit - IV To study about the socialist society, the role of the state, markets in economic development, democracy, good governance, public interest, globalization, structural reforms and its impact on Indian economy.

The last fifth unit study the feudalism structure of the Indian economy before the independence, Agriculture and its allied activities, Land reforms, tenancy reforms, industrial growth etc.

SEMESTER -VII

Paper:507

Title of the paper: Quantitative methods for economics analysis

Course outcome:

1. Basic conceptual understanding and application of mathematical and statistical tools in economic analysis.
2. It enhances the precision of economic analysis.
3. To translate the verbal economic the orison to mathematical form.
4. It enables empirical measurement of the economic relationships listed out in economic theories.

Course objective:

Unit - I studies about the importance of statistical and mathematical methods in economic analysis, measures of central tendency and dispersion, ingredients of a mathematical models, matrix algebra and its application in economic analysis.

Unit - II studies about the derivatives and its application in economic analysis, homogeneous and homothetic function, elasticity of substitution, optimization and application of Lagrange multiplier methods.

Unit - III studies the concept of sample space and events, addition and multiplication rules, Bayes rule, mean and variances of random variables, binomial and normal distribution, law of large and central limit theorem.

Unit - -IV studies about the concept of regression, correlation and time series analysis: coefficients of correlation rank correlation, regression parameters least square methods, components of times series.

Unit - V studies the concepts of index numbers: problems in the construction of an index number, Laspeyre's, Paache's, Fisher's indices, splicing, base shifting and deflating others series, wholesale price index, consumer price index, Agriculture production index and measuring inflation.

SEMESTER-VI
Paper: 608
Title of the Paper: Development Economics

Course outcomes:

At the completion of the course, students will be able to -

1. Understand the concept and factors of economic growth and development and their measurement and explain the theory of growth, classical approach and neo classical approach.
2. Describe the strategies of economic development and understand the balanced and unbalanced growth of economics.
3. Demonstrate the Fiscal, monetary and monetary policy in economic development and understand the significance of deficit financing need.
4. Understand the capital formation in Indian economy.
5. Indicate the needs, significance and problems of technology transfer in Indian economy and understand the trade policy export and the import substitution and recent changes in trade policy in India.

Course objectives:

Unit - I study about the concept meaning of economic growth and development, measurement of development such as real national income, per capita income human development index, physical quality index etc. and its limitations. Classical and neo classical growth theories.

Unit-II analyse about the different strategies of economic development, the choice of technique, capital formation.

Unit -III studies the different fiscal, monetary, price policy in economic development.

Unit - IV studies the needs for the technology transfers for economic development in LDC and UDC, Import and Export promotion policy.

Unit- V examines the role of the state, markets in economic development, types of planning and the needs in economic development.

SEMESTER-VI
Paper: 609
Title of the Paper: Environmental Economics

Course Outcome:

1. Basic conceptual understanding of environment and its components.
2. It enables on understanding of interaction and interdependence between environment and economic activities.
3. It helps to formulate a suitable environment policy.
4. A clear cut understanding of externalities, common property resources and public goods is valuables to apply to society and economy.
5. Increase the sustainability idea and concept in resource use and resource extraction.

Course objectives:

Unit - I What is Environmental and natural resource economics - Origins of environmental economics - Interdependence between economy and the environment - Issues in environmental economics - The laws of Thermodynamics and environmental economics.

Unit - II Environmental Problems and Policy solutions: Climate change, Standards via command and Control, criteria for policy approaches - economics and non-economic, choosing policy instruments.

Unit - III Market failure with environmental consequences - Pollution Externalities - review of basics - Public goods - common Property resources and the issue of property rights - Economic Solutions to Market failures.

Unit - IV Renewable resource extraction under monopoly and perfect competition; Non-renewable resource extraction under monopoly and perfect competition.

Unit - V Environmental Kuznets Curve and Economics of sustainable development.

Reading:

1. Kolstad, Charles D (2006), Environmental Economics, Oxford University Press (Indian Edition).
2. Pearce, David and Barbier, Edward, blueprint for a sustainable Economy, Earthscan, 2000.
3. Stern N, 2006, Stern Review: The Economics of Climate change, report to the Prime Minister and chancellor, UK HM Treasury, London 2006.
4. Baumgartner, Stefan and Martin Quaas, "What is sustainability economics?", Ecological Economics, 2010 (Manipur University's Department of Economics would make this article and some more available to the colleges).

SEMESTER-VI
Paper: 610
Title of the Paper: INTERNATIONAL ECONOMICS

Course outcomes:

After the completion of the course, students will be able to -

1. Learn about the concept on internal economics.
2. Learn why International economics need for a separate theory.
3. Have concept about classical theory of trade propounded by Adam Smith, Ricardo.
4. Have an idea about the formulation of opportunity costs.
5. Have knowledge on the modern theories of trade propounded by Heckscher and Ohlin.
6. Get the idea about Leontief Paradox and Factor price equalization.
7. Learn about Balance of payments (BOP) and its accounting.
8. Learn about equilibrium and disequilibrium of the BOPs
9. Have concept of calculating exchange rate under the theories of mint parity and purchasing power parity.
10. Understand about different policies on international trade.
11. Learn about free trade vs protection and concepts on tariff and quotes.
12. Have knowledge about customs union and globalization relating to international trade.
13. Learn about the objectives and functions and achievements of IMF.
14. Have ideas about GATT, WTO in the context of developing countries.

Course objectives:

Unit - I Nature and Significance of International Economics, need for a separate theory of international trade, classical trade: Adam Smith's theory of absolute advantage, Ricardo's theory of comparative advantage and its formulation in terms of opportunity costs.

Unit - II Modern Theory of Trade: Heckscher - Ohlin theorem, Leontief Paradox, Factor - price- equalisation

Unit - III Balance of Payments: Balance of Payments Accounting - Accommodating and Autonomous items and their relevance to balance of Payments equilibrium and disequilibrium: Exchange rate determination under Mint Parity theory and purchasing power parity theory.

Unit - IV Trade Policies: Free trade Vs Protection, Tariffs, optimum tariff, Quotas, Theory of custom union, Globalization.

Unit - V IMF- Objectives and functions and achievements: GATT/World trade /World Trade Organisation and developing countries.

Readings:

1. Bo-Sodersten & Geoffery Reed: International Economics (3rg end. Macmillan
2. Paul R. Krugman & Maurice Obstfeld (2009): International Economics; Theory and Policy (latest edition) Pearson.

SEMESTER - V (GENERAL)

Paper - 505

Title of the Paper: Introduction to Quantitative methods for Economics analysis

Course outcome:

1. Basic conceptual understanding and application of mathematical and statistical tools in economic analysis.
2. It enhances the precision of economic analysis.
3. It enables empirical measurement of the economic relationships listed out in economic theories.

Course objective:

Unit - I studies about the importance of statistical and mathematical methods in economic analysis, ingredients of a mathematical models: variables, constants and parameters, equations and equalities; matrix algebra: addition and multiplication, determinant, inverse of matrix.

Unit - II Function and derivative of a function; Techniques of differentiation: sum, product and quotient rule; Partial differentiation; Applications in demand, production and elasticity analysis.

Unit - III Studies the concepts of sample space and events, probability of an event; Addition and multiplication theorems, Conditional probability; Concept of a random variable; Bayes Probability distribution - Normal distribution.

Unit - IV Studies about the Correlation and regression analysis, Pearsonian coefficient of correlation, rank correlation; Correlation vs causality; Simple linear regression; Interpretation of regression parameters; Method of least squares.

Unit - V Index numbers, Uses of index numbers; Laspeyre's, Paache's, and Fisher's index numbers; Time reversal, Factor reversal and Circular tests; Problem in the construction of an index number; Concepts of wholesale price index, consumer price index.

SEMESTER - VI (GENERAL)
Paper - 606
Title of the Paper: Issues in Economic Development

Course outcome:

After the completion of the course, students will be able to -

1. Understand the origin of economics.
2. Understand the relation between economics, politics and society.
3. Describe the strategies of economic development and understand the balanced and unbalanced growth of economics.
4. Know about Public Finance.
5. Examine the Taxes of the Government.
6. Know about the budget.
7. Learn about the concept on environmental economics, problems of climate change.
8. Learn why International economics need for a separate theory.
9. Have concept about classical theory of trade propounded by Adam Smith, Ricardo.
10. Have an idea about the formulation of opportunity costs.
11. Learn about the objectives and functions and achievements of IMF.
12. Have ideas about GATT, WTO in the context of developing countries

Course objective:

Unit - I Political economy - meaning, nature of political economy; Socialist, capitalist and mixed economics.

Unit - II Economics of growth and development; Strategies of development - Balanced Growth and Unbalanced growth

Unit - III Nature and significance of public economics; characteristics of public goods; budgets; Types of taxes.

Unit - IV What is Environmental and natural resource economics - Origins of environmental economics - Interdependence between economy; Environmental Problems and Policy; Command and Control, and market-based instruments; problems of climate change - nature and its consequences.

Unit - V Nature and significance of international economics; Adam smith's theory of absolute advantage, Ricardo's theory of comparative advantage; World Bank, International Monetary Fund and World Trade organisation.