Economics Optional Syllabus

Description

Paper I

1. Advanced Microeconomics:

(a) Marshallian and Walrasian Approaches to Price Determination

(b) Alternative Distribution Theories: Ricardo, Kaldor, Kalecki

(c) Market Structures: Monopolistic Competition, Duopoly, Oligopoly

(d) Modern Welfare Criteria: Pareto, Hicks and Scitovsky, Arrowâ??s Impossibility Theorem, A.K. Senâ??s Social Welfare Function

2. Advanced Macroeconomics:

Approaches to Employment, Income, and Interest Rate Determination:

- Classical, Keynesian (IS-LM Curve), Neo-classical Synthesis, and New Classical
- Theories of Interest Rate Determination and Interest Rate Structure

3. Money, Banking, and Finance:

(a) Demand for and Supply of Money:

- Money Multiplier, Quantity Theory of Money (Fisher, Pigou, and Friedman), and Keynesâ?? Theory on Demand for Money
- Goals and Instruments of Monetary Management in Closed and Open Economies
- Relationship Between the Central Bank and the Treasury
- Proposal for Ceiling on Growth Rate of Money

(b) Public Finance and its Role in Market Economy:

- In Stabilization of Supply, Allocation of Resources, and in Distribution and Development
- Sources of Government Revenue, Forms of Taxes and Subsidies, Their Incidence and Effects
- Limits to Taxation, Loans, Crowding-Out Effects, and Limits to Borrowings
- Public Expenditure and Its Effects

4. International Economics:

(a) Old and New Theories of International Trade:

- Comparative Advantage
- Terms of Trade and Offer Curve
- Product Cycle and Strategic Trade Theories
- Trade as an Engine of Growth and Theories of Underdevelopment in an Open Economy

(b) Forms of Protection:

- Tariff and Quota

(c) Balance of Payments Adjustments: Alternative Approaches:

- Price Versus Income, Income Adjustments Under Fixed Exchange Rates
- Theories of Policy Mix
- Exchange Rate Adjustments Under Capital Mobility
- Floating Rates and Their Implications for Developing Countries: Currency Boards
- Trade Policy and Developing Countries
- BOP Adjustments and Policy Coordination in Open Economy Macromodel
- Speculative Attacks
- Trade Blocks and Monetary Unions
- WTO: TRIMS, TRIPS, Domestic Measures, Different Rounds of WTO Talks

5. Growth and Development:

(a) Theories of Growth:

- Harrodâ??s Model
- Lewis Model of Development with Surplus Labour
- Balanced and Unbalanced Growth
- Human Capital and Economic Growth
- Research and Development and Economic Growth

(b) Process of Economic Development of Less Developed Countries:

- Myrdal and Kuznets on Economic Development and Structural Change
- Role of Agriculture in Economic Development of Less Developed Countries

(c) Economic Development and International Trade and Investment:

- Role of Multinationals

(d) Planning and Economic Development:

- Changing Role of Markets and Planning

- Private-Public Partnership

(e) Welfare Indicators and Measures of Growth:

- Human Development Indices
- The Basic Needs Approach

(f) Development and Environmental Sustainability:

- Renewable and Non-renewable Resources, Environmental Degradation
- Intergenerational Equity in Development

Paper II

Indian Economy in Pre-Independence Era:

Land System and its Changes, Commercialization of Agriculture, Drain Theory, Laissez-Faire Theory, and Critique

Manufacture and Transport:

- Jute, Cotton, Railways, Money and Credit

Indian Economy After Independence:

A. The Pre-Liberalization Era:

(i) Contribution of Vakil, Gadgil, and V.K.R.V. Rao

(ii) Agriculture:

- Land Reforms and Land Tenure System
- Green Revolution and Capital Formation in Agriculture

(iii) Industry:

- Trends in Composition and Growth
- Role of Public and Private Sector
- Small Scale and Cottage Industries

(iv) National and Per Capita Income:

- Patterns, Trends, Aggregate and Sectoral Composition and Changes Therein

(v) Broad Factors Determining National Income and Distribution:

- Measures of Poverty, Trends in Poverty, and Inequality

B. The Post-Liberalization Era:

(i) New Economic Reform and Agriculture:

- Agriculture and WTO, Food Processing, Subsidies, Agricultural Prices, and Public Distribution System
- Impact of Public Expenditure on Agricultural Growth

(ii) New Economic Policy and Industry:

- Strategy of Industrialization, Privatization, Disinvestments
- Role of Foreign Direct Investment and Multinationals

(iii) New Economic Policy and Trade:

- Intellectual Property Rights: Implications of TRIPS, TRIMS, GATS, and New EXIM Policy

(iv) New Exchange Rate Regime:

- Partial and Full Convertibility, Capital Account Convertibility

(v) New Economic Policy and Public Finance:

- Fiscal Responsibility Act, Twelfth Finance Commission, Fiscal Federalism, and Fiscal Consolidation

(vi) New Economic Policy and Monetary System:

- Role of RBI Under the New Regime

(vii) Planning:

- From Central Planning to Indicative Planning
- Relation Between Planning and Markets for Growth and Decentralized Planning: 73rd and 74th Constitutional Amendments

(viii) New Economic Policy and Employment:

- Employment and Poverty, Rural Wages, Employment Generation
- Poverty Alleviation Schemes, New Rural Employment Guarantee Scheme