

UNIVERSITY OF MUMBAI

No. UG/46 of 2017-18

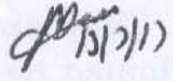
CIRCULAR:-

A reference is invited to the syllabi relating to the Master of Arts (M.A.) Programme **vide** this office Circular No.UG/75 of 2012-13, dated 17th October, 2012 and The Head, University Department of Economics and the Principals of the affiliated Colleges in Arts are hereby informed that the recommendation made by the Board of Studies in Economics at its meeting held on 22nd April, 2017 has been accepted by the Academic Council at its meeting held on 11th May, 2017 **vide** item No.4.83 and that in accordance therewith, the revised syllabus as per the (CBCS) of M.A. Economics (Sem III & IV), which is available on the University's web site (www.mu.ac.in) and that the same has been brought into force with effect from the academic year 2017-18.

MUMBAI – 400 032

15th July, 2017

To


(Dr.M.A.Khan)
REGISTRAR

The Head, University Department of Economics and the Principals of the affiliated Colleges in Arts

A.C/4.83/11/05/2017

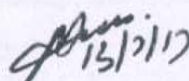
No. UG/ 46 -A of 2017

MUMBAI-400 032

15th July, 2017

Copy forwarded with Compliments for information to:-

- 1) The Co-ordinator, Faculty of Arts,
- 2) The Offg. Director, Board of Examinations and Evaluation,
- 3) The Director of Board of Student Development,
- 4) The Professor-cum-Director, Institute of Distance and Open Learning (IDOL),
- 5) The Co-Ordinator, University Computerization Centre,


(Dr.M.A.Khan)
REGISTRAR

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Appendix A

UNIVERSITY OF MUMBAI



Revised Syllabus for the M.A.

Program: M.A.

Course: Economics

Semester III & IV

(As per Choice Based Credit System with effect
from the Academic Year 2017-2018)

ELECTIVES - SEMESTER III

International Trade: Theory and Policy

Number of Credits : 6

Pattern of Evaluation: Standard

Preamble: This elective course, to be offered in the third semester, requires a good understanding of Microeconomics. The course aims at providing a theoretical exposition of bases, effects and the restrictions on free flow of international trade with the empirical evidence.

Module 1: Classical Trade Theory: (10 Hours)

Absolute and Comparative Advantage of Trade; Real and Opportunity Cost Approaches; Gains from Trade, Reciprocal Demand and Offer Curves; Terms of Trade. Revealed Comparative Advantage

Module 2: Neo-Classical Trade Theory: (14 Hours)

The Heckscher-Ohlin (H-O) Theory; Factor Price Equalization Theorem and Generalization to n Factors and Goods; Leontief Paradox, Rybczynski Theorem; Trade and Growth

Module 3: Modern Trade Theory: (12 Hours)

Concept of Intra-industry Trade, Imperfect Competition and Trade- The Neo-Heckscher-Ohlin Models- Favley Model, Neo-Chamberlinian Models- Krugman Model, Oligopolistic Models- Brander-Krugman Model, Reciprocal Dumping Model- Iceberg Model. Trade in Services

Module 4: Trade Policy: (12 Hours).

Instruments of Trade Policy; Tariffs and Welfare, Optimum Tariff, Tariff and Real Rewards to Factors of Production, The Stolper-Samuelson Theorem, Metzler's Paradox, Theory of Customs Union, Quotas and Export Subsidies. Gains from Trade and Regional Agreements

References:

Essential Readings

1. Feenstra R. C., Advanced International Trade- Theory and Evidence, Princeton University Press, Princeton, 2004 (Modules 2, 3 and 4)
2. Grimwade Nigel, International Trade, (Second Edition), Routledge, London, 2001 (Modules 3 and 4).
3. Grubel H. G. and P. J. Lloyd, Intra-industry Trade, Macmillan, London, 1975 (Module 3)
4. Haberler G., A Survey of International Trade Theory, International Finance Section, Department of Economics, Princeton University, 1961 (Module 1)
5. Krugman P. R. and M.Obstfeld, International Economics-Theory and Policy, Addison-Wesley, Delhi, 2000 (Modules 2 and 3)
6. Salvatore D., International Economics, John Wiley and Sons, Singapore, 2002 (All Modules)
7. Södersten Bo and R. Geoffrey, International Economics, Macmillan, London, 1994 (Modules 2, 3 and 4)

Economics of Agricultural Production and Rural Markets

Number of Credits: 6

Pattern of Evaluation: Standard

Preamble: This course would be helpful to understand the various types of relationships in agriculture: factors and products, problems of instability in production, the functioning of and imperfections in credit markets, labour markets, and land markets.

Module 1: Economics of Agricultural Production, Resource Use and Instability in Agriculture: (12 Hours)

Resource and input use – Important production relationships – Economics of input and product substitution – Imperfections in product and input markets in developing agriculture – Sources of price variability and income instability – Rationale for and types of government intervention for price support and reduction in instability – Alternative concepts of cost of cultivation and determination of minimum support prices in India – Role and optimum size of buffer stocks

Module 2: Rural Credit Markets: (12 Hours)

Characteristics of rural credit markets, credit fragmentation – Organized and unorganized sectors – Theories of informal credit markets: Lender's Risk Hypothesis, Default and collateral, Credit rationing:- Default, Informational asymmetries – Moral hazard – Evolution of credit systems in India – Role and Performance of Commercial Banks, Co-operative Credit Institutions, Regional Rural Banks, NABARD and Micro-credit through SHGs in India, imperfections in rural credit markets in India

Module 3: Labour Markets: (12 Hours)

Concepts of work, skill and productivity – Methods of measurement of employment and unemployment – Free and unfree labour – Types of employer-employee relationships – Determinants of wage rates – Labour market segmentation – Gender-based discrimination – Biases in data sources – Wage Differentials – Contract Labourers in rural markets

Module 4: Land and Lease Markets: (12 Hours)

Types of farming – Historical evolution – Segmented property rights – Characteristics and functioning – Economic, extra-economic and legal restrictions – Lease market – Formal and informal leases – Economics of share tenancy – Crop-sharing practices in India – Inequity in distribution of holdings – Market interlocking and interlinkages – Analysis of rural classes – Contract Farming

References:

Essential Readings

1. Heady Earl O., Economics of Agricultural Production and Resource Use, Prentice Hall, New York, 1961 (Module 1)
2. Kahlon A.S. and D.S. Tyagi, Agricultural Price Policy in India, Allied Publishers Pvt. Ltd., New Delhi 1983 (Module 1)
3. BasuKaushik, Agrarian Structure and Economic Underdevelopment, Harwood, Switzerland, 1990 (Modules 2, 3, 4)
4. Dantwala M.L. (Ed), Indian Agricultural Development Since Independence, (Second Edition) Oxford and I.B.H. Pvt. Ltd., 1991 (Module 2)

Economics of Labour Markets

Number of Credits: 6

Pattern of Evaluation: Standard

Preamble: Labour market issues are important for students of Micro, Macro, and Industrial Economics. The course sheds light on a range of new developments and a host of issues studied by generations of labour market experts. It captures the interplay of various factors in the labour market by describing demand/supply aspects, wages, employment, unemployment, the cost of labour, workers' participation and impact of new labour policies in the labour market. The course will be offered in the third semester.

Module 1: Nature of the Labour Market: (10 Hours)

Concept of labour market, Characteristics, Types, Search in labour markets, The theory of Human Capital, Investment in Human Capital, Costs and life-time benefits to education

Module 2: Approaches in Labour Markets: (12 Hours)

The theory of labour demand; time period and types of markets, Industry demand for labour, Determinants of labour demand, The theory of supply, Work-leisure choice in indifference curves, Budget constraints, Utility maximization, Backward-bending labour supply curve and its applications,

Module 3: Wage Issues in Labour Markets: (14 Hours)

Theories of Wages, Wages in different markets, Wage structure and components of wages, Share of wages, Distribution and Inequality of wage income, Male-female wage differentials, Inter-Sectoral wage differentials, Contract labour, Properties of contractual wages, Labour market rigidities and flexibilities, Wage and output relations in India during pre- and post-reform period

Module 4: Labour Markets in India: (12 Hours)

Linkages in labour markets, role of risk, Information and incentives, Dualism and segmentation, Labour market flexibility, Employee turnover, Migrant labour, State and labour markets, Impact of trade unions on productivity and wages, Minimum wages, Social security, Occupational safety and security, Wages and incomes policy in India, Impact of liberalization and globalisation

References:

Essential Readings

1. Bhattacharya BB and S Sakthivel, Economic Reforms and Jobless Growth in India in the 1990s, The Indian Journal of Labour Economics, Volume 48, No.2, 2005, pp. 243-258
1. Bhagoliwal T.N., Economics of Labour and Industrial Relations, SahityaBhawan, Agra, 1985
2. Bloom Gordon F and Northrup Herbert R, Economics of Labour Relations, Richard D Irwin Inc, Homewood, 1973
3. Cahuc Pierre and Andre Zylberberg, Labor Economics, MIT Press, 2004
4. Government of India, Report of Second National Commission on Labour, 2002
5. Harris-White Barbara and SinhaAnushree, Trade Liberation and India's Informal Economy, Oxford University Press, New Delhi, 2007
6. Sapsford David and ZafirizTzannatos, The Economics of the Labour Market, Macmillan, London, 1993
7. Singh Jwitesh Kumar, Labour Economics, Deep and Deep Publishers, Delhi, 1998
8. UchikawaShuji (eds.), Labour Market and Institutions in India 1990s and Beyond, Manohar Publishers, New Delhi, 2003
9. UnniJeemol and Uma Rani, Employment and Income in the Informal Economy: A Micro Perspective, in RenanaJhabvala, Ratna M Sundaram and JeemolUnni (eds) Informal Economy Centre-stage: New Structures of Employment, Sage Publications, New Delhi, 2003. 26

Theory of Monetary Institutions

Number of Credits: 6

Pattern of Evaluation: Standard

Preamble: The course is constructive, that is, will exploit the open foundations of the subject to work through alternative monetary arrangements using microeconomics, and 2. relevant, in that it connects with abiding discussions on the nature of money, the role of banks, the appraisal of central banks, a world central bank, and so on.

Module 1: One-period Trade: (12 Hours)

Market mechanisms: The “bid-offer” market, many monies?, gold and paper money: The loan market, the money rate of interest, a fractional reserve system: modelling trust, Fiat money: modelling bankruptcy, Incomplete markets: commodity money and other structures, money and liquidity: the store of value function

Module 2: Multiperiod Trade: (12 Hours)

Commodity money and credit: “badly distributed” money and credit, fiat money and credit: strategic market games with/without lending, Transactions and the float: financing the float, capital stock, salvage values, Expectations: strategic market games with uncertainty, Money and Transactions Costs: endogenous money, the combinatorics of exchange, brokers and dealers: middlemen, clearinghouses, and setup costs

Module 3: Banking Arrangements: (12 Hours)

An “ideal banking system”: a modern loanable funds theory, the bank’s portfolio problem equilibrium: from the corn economy to the monetary economy, towards a general equilibrium theory of credit
Narrow Banking: “Deposit Creating Institutions”, Free Banking, Universal Banking

Module 4: Central Banks: (12 Hours)

Open-market operations: incentive-compatible contracts, The Lender of Last Resort function: moral hazard, Monetary policy with informal financial markets: dual economy dynamics, Monetary-Fiscal Coordination, Managing Aggregate Risk: systemic fragility and policy, A World Central Bank: The IMF?

References:

Essential Readings

1. Shubik, Martin, *The Theory of Money and Financial Institutions*, volumes 1 & 2, Cambridge: The MIT Press, 1999
2. Stiglitz, Joseph E. and Bruce E. Greenwald, *Towards a New Paradigm in Monetary Economics*, Cambridge: The Cambridge University Press, 2003

Trade Unions and Industrial Relations in India

Number of Credits: 6

Pattern of Evaluation: Standard

Preamble: This course attempts to provide a basic conceptual understanding of the economics of trade unions and industrial relations in India. The syllabus also includes the empirical relevance of theories with suitable examples from a practical industrial relations viewpoint. Such an attempt will be strengthened to enable familiarity with relevant data along with their limitations.

Module 1: Economics of Trade Unions: (9 Hours)

Meaning, Concept, Evolution and Role of Trade Unions. Approaches to the Origin of Trade Unions. Bargaining Theory of Wages, Impact of unions on productivity and wages, Employment Security and Efficiency, Unorganised sector

Module 2: Industrial Relations: (12 Hours)

Definition and scope of industrial relations, Approaches to Industrial Relations: Macro Approaches- System Approach and Class Conflict Approach, Micro Approaches- Taylorism, Fordism and Post-Fordism, Neo-Fordism, Pluralism, Human Relations School and Organisational Behaviour Approach.

Module 3: Industrial Relations in India: (15 Hours)

Trade Unions and Workers: Industrial Sociology of workers in India, History, growth and structure of trade unions, Independent and white collar unions in India. Trade Unions and Contract Workers. Employer's Organisations: Role of managerial class in industrial relations. Industrial conflict: Forms of conflict, strikes, lockouts, absenteeism, employee turnover, causes and consequences of and trends in industrial disputes.

Module 4: Role of the State in Industrial Relations in India: (12 Hours)

Labour Policy in India: Pre and Post-Reform scenario, Impact of Globalisation- Tripartism, Labour Legislation affecting industrial relations: Statutory and Non-Statutory measures to settle industrial disputes. Workers Participation in Management. Voluntary Retirement Schemes, Social Security Measures, Unemployment Insurance. Occupational Safety and Health Management Systems. India and the ILO.

References:

Essential Readings

1. Amin, Ash (Ed.), Post-Fordism-A Reader, Blackwell, Oxford, 1994 (Module 2)
2. Government of India, Ministry of Human Resource Development, Report of Second National Commission on Labour, 2002 (Module 3, 4)
3. Hicks J.R., The Theory of Wages, Clarendon Press, Oxford, 1932 (Module1)
4. Monappa, Arun, Industrial Relations, Tata McGraw Hill, New Delhi, 2005. (Module 4)
5. Pencavel, John, Labour Markets under Trade Unionism: Employment, Wages and Hours, Basil Blackwell, Cambridge, Massachusetts, 1991 (Module 1)
6. Ramaswamy, E.A. and Uma Ramaswamy, Industry and Labour, Oxford University Press, Bombay 1981 (Module 3)
7. Rees, Albert, The Economics of Trade Unions, University of Chicago Press, Chicago, 1973 (3rd Edition) (Module 1)
8. Roy. J. Adams (eds.), Comparative Industrial Relations, Harper Collins Academic, London, 1991. (Module 2, 4)

Agricultural Development and Policy

Number of Credits: 6

Pattern of Evaluation: Standard

Preamble: This course aims to enhance the students' understanding of agricultural development. Starting from basic questions like what factors lead to agricultural development or why does the share of agriculture in GDP go down once economies start developing, the course tries to enhance the students' awareness on contemporary debates in the literature, and leads them to analysis of current governmental policies and strategies for surviving in the globalizing world. Questions to be asked for the post 1980 period.

Module 1: Theories of Agricultural Development: (12 Hours)

Role of agriculture in a developing economy vis-à-vis a developed economy; Theories of agricultural development (Lewis, Schultz, Mellor, Hayami and Ruttan)

Module 2: Sustainable Agricultural Development and Food Security: (12 Hours)

Impact of green revolution; Models of spread of technology and experiences in input use efficiency; Measurement and strategies for sustainable development; Food security: Concept, measurement, magnitude, and critical evaluation of government policies

Module 3: Competitiveness of Agriculture Products and Marketing: (12 Hours)

Measurement of efficiency of agricultural products in international markets; Efficiency of agricultural markets in India; Form and impact of government intervention in the markets and its effects on efficiency; Commodity markets: operation and likely impacts; Strategies for surviving in a globalizing world

Module 4: History and Policies for Agricultural Development in India: (12 Hours)

Trends in production since 1950; National Food Policy; Agriculture Policy; Area, productivity, employment and wage rate analysis; Trends in India's agricultural exports and imports and implications

References:

Essential Readings

1. BasuKaushik, Analytical Development Economics, Oxford University Press, 1998 (Module1).
2. Bhalla G S., Globalization and Indian Agriculture, Volume 19 of the State of the Indian Farmer Series. Academic Foundation, 2004 (Module 3)
3. Dreze Jean and AmartyaSen, Hunger and Public Action, Oxford University Press, 1989 (Module 2)
4. Lewis Arthur, Economic Development with Unlimited supply of labour, Manchester School of Economics and Social Studies 22: 139-91, 1954 (Module 1)
5. Mellor J and Mudahar M, in Agriculture in Economic Development: Theories, findings and Challenges in Asian context in A Survey of Agricultural Economics Literature, Edited by Lee Martin. University of Minnesota Press, 1992 (Module 1)
6. Norton George and Jeffery Alwang, Introduction to Economics of Agricultural Development, McGraw Hills, New York, 1993 (Module 1)
7. Sawant S D (2002), Indian Agriculture: Past developments and policies for the future, Dantwala Monograph Series, No. 4, 2002 (Module 4)

Banking: Theory and Policy

Number of Credits: 6

Pattern of Evaluation: Standard

Preamble: The objective of the course is to introduce students to the different aspects of commercial banking theory and policy over 48 lectures. The course would discuss the evolution of different kinds of financial systems, the importance of financial intermediaries and the bank as an important financial intermediary. The course would also deal with issues regarding competition in banking, the need for prudential regulation and would discuss the structure of banking in India along with a focus on the role of banks in aiding financial inclusion and as a support for the microfinance institutions.

Module 1: Introduction: (14 Hours)

Evolution of financial systems (bank oriented and market oriented systems) – Sources and Uses of Funds – need for financial intermediaries – banking in general equilibrium theory

Module 2: Competition in Banking: (10 Hours)

Competition and Networks (unitary and branch banking) – Effect on reputation and risk taking – Competition and Financial Stability

Module 3: Banking Regulation: (12 Hours)

Banking Crises/Bank Panics - Need and Scope for prudential regulation – Micro and Macro prudential indicators – Risk-based regulatory capital – Deposit Insurance – Universal Banking

Module 4: Indian Banking: (12 Hours)

Structure of the banking system – Changes in priority sector lending – Performance of public sector banks in the post reform period – recent developments in banking: electronic banking, relationship banking: collateral lending, SARFESI – Financial Inclusion – Microfinance institutions

References:

Essential Readings

1. Allen, F. and D. Gale, *Comparing Financial Systems*, The MIT Press, Cambridge, Massachusetts, 2001
2. Freixas, X. and J. Rochet, *Microeconomics of Banking*, The MIT Press, Cambridge, Massachusetts, 1999.
3. Berger, A., P. Molyneux and J. Wilson, *The Oxford Handbook of Banking*, Oxford University Press, New York., 2010
4. Ramakrishna, G. and K. Rao, *Performance of Public Sector Banks After Reforms*, Serials Publications, New Delhi, 2008
5. Ghate, P., *Indian Microfinance: The Challenges of Rapid Growth*, Sage, New Delhi, 2007

Additional Readings

1. Hardy D.C. and Pazarbasioglu, C., Leading Indicators of Banking Crises: Was Asia Different? *International Monetary Fund Working Paper*, 1998
2. Polizatto, V.P., Prudential Regulation and Banking Supervision: Building an Institutional Framework for Banks, *World Banking Working Paper WPS 340*, 1990
3. Berger A.N. and G.F. Udell Relationship Lending and Lines of Credit in Small Firm Finance, *Journal of Business*, vol.68, no.3, pp.351-81, 1995
4. Reserve Bank of India Bulletins (various issues).

Environmental Economics

Number of Credits: 6

Pattern of Evaluation: Standard

Preamble: This course is designed to introduce students to key contemporary issues in environmental economics and equip them with the tools and methodologies that are in general applied to analyze environmental problems and policies. An attempt will be made to discuss the currently debated environmental problems and policies in India and other countries.

Module 1: Economic Growth and the Environment: (10 Hours)

Economic Growth and environment, Limits to growth and Sustainable Development, Environmental Kuznets Curve- Environment as an economic and social good/asset, Natural Resources (Exhaustible, renewable, common property resources) - Accounting and Natural Resource Management- Green Accounting

Module 2: Micro foundations of Environmental Economics: (12 Hours)

Types of goods and services - Public, private and common pool resources, externalities and market failure, Social Cost- Benefit- Analysis, Pollution as a Public Bad?, The equi-marginal principle- Economic efficiency versus equity, Damage functions Mitigation and abatement costs, Role of Institutions in environmental protection, Coase Theorem

Module 3: Supplementary Analytical Tools and Environmental Issues: (14 Hours)

Valuation of Natural Resources: Direct and Indirect Methods Environmental impact assessment, Life Cycle Analysis, Pollution- Air, Water and Noise; Regional, National and Supranational dimensions of environmental degradation, Ozone Layer Depletion, Green House Gas Emissions, Global Warming, and Climate Change

Module 4: Environmental Policy and Practices: (12 Hours)

Few approaches to environmental policy: *Command and control - Environmental Standards, Technology Mandates; Market based instruments - Taxes, subsidies, liability instruments tradable permits; Rehabilitation and Resettlement Policy- Kyoto Protocol; Rio debate- Relevant Case Studies and Carbon Trading*

References:

Essential Readings

1. Dixon, J. A., and M. M. Hufschmidt, (ed.) Economic valuation techniques for the environment: A Case Study Workbook. Baltimore: Johns Hopkins University, 1986
2. Field, B.C., Environmental Economics- An Introduction, McGraw-Hill International Edition, Singapore, 1997
3. Hodge, I. Environmental Economics, MacMillan Press Ltd., London, 1995
4. Jeroen C.J.M. van den Bergh, Handbook of Environmental and Resource Economics, Edward Elgar Publishing, 2002
5. Jinhua, Z. and T. Fisher, Notes on Irreversibility, Sustainability and the Limits to Growth, <http://econpapers.repec.org/paper/isugenes/default22.htm>
6. Kolstad, C., Environmental Economics, Oxford University Press, USA, 2006
7. Sankar, U., Policy Instruments For Achieving Low Carbon and High Economic Growth in India (Monograph), National Institute of Public Finance and Policy, New Delhi, 2009
8. United Nations Statistical Division: System of Environmental-Economic Accounts (SEEA) <http://unstats.un.org/unsd/envaccounting/seearev>

INTERDISCIPLINARY/CROSS STUDIES Semester IV

International Finance

Number of Credits: 6

Pattern of Evaluation: Standard

Preamble: This elective course, to be offered in the fourth semester, requires a good understanding of Macroeconomics. This course aims at providing a theoretical exposition of different aspects of international finance and financial institutions in the context of globalization. A good understanding of International Trade and Trade Policies is desirable.

Module 1: Foreign Exchange Rates and Markets: (12 Hours)

Foreign Exchange Rates: Fixed, Flexible, Nominal, Real and Effective Exchange Rates, Purchasing Power Parity and Interest Parity. Foreign Exchange Markets: Spot, Forward, Futures and Options Currency Markets. Foreign Exchange Risk and Exposure: Exposure, Risk and Parity Relationship, Accounting Exposure versus Real Exposure, Operating Exposure, Hedging Risk and Exposure.

Module 2: Balance of Payments: (12 Hours)

Balance of Payments: Current Account Balance and Capital Account Balance, Official Reserve Transactions, Relationship between Balance of Payments and National Income Accounts. Approaches to Balance of Payments Adjustments: Elasticity, Absorption, Monetary and Portfolio-balance Approaches

Module 3: International Investment and Financing: (12 Hours)

Cash Management: Investment and Borrowing Criterion with Transaction Costs- International Dimensions of Cash Management. Portfolio Investment: International Capital Asset Pricing- Settlement of International Portfolio Investments. Capital Budgeting for Foreign Investments: Project Selection, Cash Flows, Discount Rates, Growth and Concerns about Multinationals. International Financing: Equity Financing, Bond financing, Bank financing

Module 4: International Financial Institutions: (12 Hours)

Gold Standard and Gold Exchange Standard: International Monetary Fund- International Reserves- Special Drawing Rights. Theory of Optimum Currency Areas: International Policy Co-ordination, Currency Board, International Financial and Currency Crisis. International Debt: Measures of Indebtedness-International Debt Crisis 30

References:

Essential Readings

1. Kenen Peter B, The International Economy, Cambridge University Press, New York, 2000 Chapters: 12, 13, 14, 15, 16, 17, 18 and 19 (Modules 2 and 4)
2. Krugman P. R. and Obstfeld M., International Economics-Theory and Policy, Addison-Wesley, Delhi, 2000 Chapters: 12, 15, 16, 20 and 22 (Modules 2 and 4)
3. Levi Maurice D., International Finance, Routledge, New York, 2005 Chapters: 2, 3, 4, And 9 to 18 (Modules 1, 2 and 3)
4. Pilbeam Keith, International Finance, Palgrave, New York, 1998 Chapters: 14 and 15. (Module 4).
5. Salvatore Dominick, International Economics, John Wiley and Sons, Singapore, 2002 Chapter: 14, (Module 1)
6. Sodersten Bo and Reed Geoffrey, International Economics, Macmillan, London, 1994 Chapters: 23, 25, 30 and 31) (Modules 2 and 4)
7. Ugur Mehmet, (edited), An Open Economy Macroeconomics Reader, Routledge, London, 2002 Chapters: 16, 17, 19, 20, 21 and 22 (Modules 2 and 4)

Economics of Human Development

Number of Credits: 6

Pattern of Evaluation: Non-Standard

Preamble: This course on the Economics of Human Development focuses on the widely- accepted global perspective of viewing development as the expansion of people's capabilities, capacities and choices. This people-centric analytical framework for designing and assessing public policy interventions has several implications at macro, meso and micro levels both nationally as well as internationally. This elective has a relatively strong applied component specifically in relation to India that is in-built into each module.

Non-Standard Evaluation Pattern: The evaluation be done through 40 marks of continuous evaluation and a 60 marks end-semester examination. The 40 marks evaluation will consist of a mid-term examination of 20 marks (two questions to be attempted over one hour) and a project of 20 marks on Modules 3 and 4. The project topics will be announced by the 4th teaching week of the semester and the projects should be in by the 10th teaching week. All modules will carry equal weight for the three hour end-semester examination.

Module 1: Concepts of Human Development: (12 Hours)

Growth and Development compared – Perspectives on development – Definition of human development - Basic Needs Approach – Quality of Life Approach – Capability Approach – Human rights – Millennium Development Goals

Module 2: Dimensions of Human Development: (12 Hours)

Empowerment, equity, sustainability, security, productivity and participation – Role of freedoms in promoting human development -- Multi-dimensionality of poverty – Concept of inclusive growth – Role of civil society, NGOs, and people's organizations – Obstacles to inclusive growth – Impact of globalization

Module 3: Measurement: (12 Hours)

Need for indices - GDP – Physical Quality of Life Index (PQLI), Disability Adjusted Life Years (DALY), Social Capability index – Human Development Index – Human Poverty Index – Gender Related Development Index – Gender Empowerment Measure

Module 4: Aspects of Human Development: (12 Hours)

Livelihoods – Inequalities – Gender – Child labour – Aging population – Poverty alleviation - Food Security – Environment – Displacement – Indigenous groups – Migration - Education and Health – Workers and Informal Sector -- Social Security – Human security – Conflict 19

References:

Essential Readings

1. Chelliah Raja J and R. Sudarshan (ed), *Income Poverty and Beyond: Human Development In India*, UNDP, Social Science Press, New Delhi, 1999
2. Comim F, M. Qizilbash and S. Alkire (eds), *The Capability Approach: Concepts, Measures and Applications*, Cambridge University Press, Cambridge, 2007
3. Costanza R, B. Low, E. Ostrom and James Wilson (ed), *Institutions, Ecosystems and Sustainability*, Lewis Publishers, Boca Raton, 2001
4. Dev S. Mahendra, P. Antony, V. Gayathri, and R P Mamgain, *Social and Economic Security in India*, Institute for Human Development, New Delhi, 2001
5. Fukuda-Parr S. and Shiva Kumar A K (ed), *Readings in Human Development: Concepts, Measures and Policies for a Development Paradigm*, Oxford University Press, New Delhi, 2003
6. Grinspun, A. (ed), *Choices for the Poor, Lessons from National Poverty Strategies*, UNDP, New York, 2001
7. International Labour Organization, *A Fair Globalization: Creating Opportunities for All*, World Commission on the Social Dimension of Globalization, Geneva, 2004
8. International Labour Organization: *World Employment Reports*
9. Meier G M and Stiglitz J E (eds), *Frontiers of Development Economics*, Oxford University Press, New York, 2001
10. Sen Amartya, *Development as Freedom*, Oxford University Press, New Delhi, 1999
11. Sen Amartya and Jean Dreze, *India: Economic Development and Social Opportunity*, Oxford University Press, New Delhi, 1998
12. United Nations Development Programme (UNDP), *Human Development Reports 1990-2004*, Oxford University Press, New York
13. United Nations Development Programme (UNDP) – India, *State Human Development Reports, 2003 – 2006*, Oxford University Press, New Delhi.

ABILITY ENHANCEMENT SKILLS Semester IV

Industrial Economics

Number of Credit: 6

Pattern of Evaluation: Standard

Preamble: Ability Enhancement Course, to be offered in the fourth semester, requires a good understanding of both Microeconomics and Macroeconomics. This course aims at providing a theoretical exposition of the behaviour of the firm, market structure and industrial finance with some issues and relevant empirical evidence of Indian industries.

Module 1: Theory of the Firm: (14 Hours)

Firm Competition and Performance: Effects of Monopoly Power- Determinants of Firm Structure- Mergers- Horizontal and Vertical- Conglomerate Integration. Market Structure: Patterns of Market Structure- Determinants of Market Structure- Economies of Scale- Product Differentiation- Capital Requirements. Pricing Strategy in Oligopoly: Theories of Interdependence- Tacit Collusion and Price Leadership- Limit Pricing.

Module 2: Technical Change: (10 Hours)

Market Concentration: Measures of Market Concentration. Advertising: Optimal Advertising- Advertising and Market Structure- Cost of Advertising. Invention and Innovation: Process and Product Innovation- Effects of Innovation on Welfare and Employment- Adoption and Diffusion of Innovation.

Module 3: Financial Analysis: (14 Hours)

Financial Analysis: Funds Flow- Cash Flow Statements- Balance Sheet- Income Statement (Profit and Loss Account)-Ratio Analysis- Multi-Period Compounding- Continuous Compounding. Investment Appraisal: Nature of Investment Decisions- Net Present Value Method- Internal Rate of Return- Discounted Payback Period. Cost of Capital: Determining Components of Cost of Capital- Capital Asset Pricing Model (CAPM)- Weighted Average Cost of Capital (WACC). Capital Structure: Optimum Capital Structure- Modigliani-Miller Hypothesis- CAPM and Capital Structure.

Module 4: Indian Industry: (10 Hours)

Industrial Growth: Trends in Industrial Growth in India-Industrial Location (factors) and Location Policy in India. Small-Scale Industries: Definition-Role-Policy-Issues and Performance. Public Enterprises in India: Performance and Constraints. Competitiveness of Indian Industries: Competition Policy and Foreign Direct Investment. 43

References:

Essential Readings

1. Ahluwalia I. J., Industrial Growth in India- Stagnation since the mid-sixties, Oxford University Press, Delhi,1985 (Module 4)
2. Hay J and Morris D. J, Industrial Economics- Theory and Evidence, Oxford University Press, (Latest Edition) (Module 2)
3. Koutsoyiannis A., Modern Microeconomics, ELBS/Macmillan, Hong Kong, 1985 (Module1)
4. Martin Stephen, Industrial Economics- Economic Analysis and Public Policy, Macmillan Publishing Company, New York, 1988/latest edition (Module 1)
5. Mohanty, Binode,(eds.), Economic Development Perspectives, Vol. 3, Public Enterprises and Performance, Common Wealth Publishers, New Delhi,1991 (Module 4)
6. MookherjeeDilip (eds.), Indian Industry-Policies and Performance, Oxford University Press, Delhi,1998 (Module 4)
7. Pandey I M., Financial Management, Vikas Pub. House Pvt. Ltd., New Delhi, 2000 (Module3)
8. Shepherd W. C., The Economics of Industrial Organization, Prentice Hall, Inc., London, 1985 (Modules 1 and 2)
9. Vepa R. K., Modern Small Industry in India, Sage Publications, 1988 (Module 4)

Demography: Theory and Basic Analysis

Number of Credits: 6

Pattern of Evaluation: Standard

Preamble: The course is designed to provide an understanding of demographic processes including an in-depth knowledge of linkages between population and economic development. It introduces major developments in demographic concepts by highlighting the sources of demographic data, fertility, mortality, migration and population projection.

Module 1: Population Science, Demography and Economic Development: (10 Hours)

Population and Economic Development, Population and Environment, Implications of Population Growth on Regional Imbalances, Population Science and Demography, Sources of Demographic Data, Malthusian Theory of Population, Theory of Demographic Transition, Age and Sex Composition of Population, Age pyramids, Ageing Population.

Module 2: Nuptiality and Fertility: (14 Hours)

Basic concepts of Nuptiality, Analysis of Marital Status Data, Singulate Mean Age at Marriage: Synthetic Cohort and Decadal Synthetic Cohort Method, Concepts and measurements of Cohort and period fertility, Rele's Method and Reverse survival method in fertility analysis, Bongaart's Proximate Determinants of Fertility, Socio-Economic Determinants of Proximate Variables, Indirect Estimation of Fertility Rates, Davis's Intermediate Variables framework of Fertility, Age Patterns of Fertility.

Module 3: Mortality: (12 Hours)

Basic concepts and analysis of Morbidity, Concepts and Measurements of Mortality, Infant and Child mortality rates, Standardisation of Mortality Rates, Life tables: Concepts, Types, Uses, Methods of construction; Differentials and Determinants of Mortality.

Module 4: Migration and Population Projections: (12 Hours)

Concepts, Patterns and Measures of Migration, Migration Theories and Models (Ravenstein's, Lee's, Wolpert's and Todaro's model), Internal and International Migration, Spatial Distribution and Urbanisation, Importance of Population Projection, Methods of Population projection: Mathematical and components methods.

References:

Essential Readings

1. Bhatt M. (2002): On the Trial of Missing Indian Females, *Economic and Political Weekly*, 37(51) (52):5105-518, 5244-5263.
2. Bhende AA and T. Kantikar, *Principles of Population Studies*, Himalaya Publishers, Mumbai, 2000
3. Bogue DJ, EE Arriagas, Douglas L. Anderson, *Reading in Population Studies and Methodology*, Published for United Nations Population Fund by Social Development Center, Chicago, Illinois, 1993
4. Coale, A.J., 1971, Age Patterns of Marriage, *Population Studies*, 25(2), pp. 193 –214
5. Henry, S. Shryock, *The Methods and Materials of Demography*, Vol. 1 and 2, U.S. Department of Commerce, Bureau of Census, Washington D.C. 1971, pp. 283-298 and 549 – 578

6. International Institute for Population Sciences (IIPS), National Family Health Survey, (NFHS) 1,2,3, Mumbai,1992-93; 1998-99; 2006-07
7. International Institute for Population Sciences (IIPS), Reproductive and Child Health Survey, Mumbai, 2002-04
8. Lutz, Wolfgang, Distributional Aspects of Human Fertility: A Global Comparative Study, Academic Press, 1989, New York
9. Mishra BD, An Introduction to Demography, South Asian Publishers Pvt. Ltd, New Delhi,1981
10. Mitra RG, Understanding patterns of Migration from Census 2001 Data, Population,2002
11. Stabilisation and Development, Council of Cultural Growth and Cultural Relations, Cuttack
12. Preston Samuel, Patrick Heuveline& Michel Guillot, Demography: Measuring and Modelling Population Processes, Blackwell, Cornwall, 2001
13. Sydney HC, Population Theories and Economic Interpretation, Routledge, London, 1968.
