

B.A. ECONOMICS (HONS) 3rd Year
SEMSTER-VI
ECO-DSEG24: ECONOMICS OF HEALTH AND EDUCATION

External Marks: 80

Internal Marks: 20

Time: 3Hrs

Course Description :

The importance of education and health in improving well-being is reflected in their inclusion among the Millennium Development Goals adopted by the United Nations member states, which include among other goals, achieving universal primary education, reducing child mortality, improving maternal health and combating diseases. This course provides a microeconomic framework to analyze, among other things, individual choice in the demand for health and education, government intervention and aspects of inequity and discrimination in both sectors. It also gives an overview of health and education in India.

Course Outline

Instructions for the paper-setters and the candidates:

1. The question paper will consist of *nine* questions. The candidate shall attempt *five* questions in all. The Question No. 1 will be *compulsory*. The Candidate shall attempt *four* more questions selecting *at least one* from each *Unit*. *The paper will carry 100 marks out of which 20 marks will be earmarked for internal assessment.*
2. The **Compulsory Question No.1** will be short answer type questions containing *five* questions of equal marks (i.e., 4 marks each) spread over the whole syllabus and answer to each question should not to be more than one page. Other questions will carry the 15 marks each.

Course Outline :

Unit-I

Role of health and education in human development, importance in poverty alleviation; health and education outcomes and their relationship with macroeconomic performance.

Unit-II

Microeconomic foundations of health economics demand for health; uncertainty and health insurance market; alternative insurance mechanisms; market failure and rationale for public intervention; equity and inequality.

Unit-III

Evaluation of health programs costing cost, effectiveness and cost-benefit analysis; burden of disease. Health sector in India: an overview health outcomes; health systems; health financing.

Unit-IV

Education: investment in human capital rate of return to education: private and social; quality of education; signalling or human capital; education sector in India: an overview literacy rates, school participation, school quality measures.

Suggested Readings:

- William, Jack, *Principles of Health Economics for Developing Countries*, World 24 Bank Institute Development Studies, 1999.
- World Development Report, *Investing in Health*, The World Bank, 1993.
- Ronald G., Ehrenberg and Robert S., Smith, *Modern Labor Economics: Theory and Public Policy*, Addison Wesley, 2005.

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GURU JAMBHESHWAR UNIVERSITY OF SCIENCE & TECHNOLOGY, HISAR
(Established by State Legislature Act 17 of 1995)

'A' Grade, NAAC Accredited State University

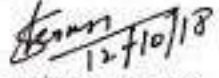
No. Acad./AC-III/F-27 & 40/2018/ 5585
Dated: 12/10/18

To
The Controller of Examinations,
GJUS&T, Hisar.

Sub: **Approval of scheme of examinations and syllabi of Economics - (1st to 6th semester) as a subject in B.A. course being run by affiliated Degree Colleges w.e.f. 2018-19 at UG level course w.e.f. 2018-19.**

Sir,
I am directed to inform you that the Vice-Chancellor, on the recommendations of BOS&R in Haryana School of Business (HSB) vide resolution no. 1 in its meeting held on 13.07.2018 and Dean, School/ Faculty of Haryana School of Business and further clarification by Director, HSB in the matter, is pleased to approve the scheme of examinations & syllabi of Economics - (1st to 6th semester) as a subject in B.A. course being run by affiliated Degree Colleges w.e.f. 2018-19 under Section 11(5) of University Act, 1995 in anticipation of approval of the Academic Council.

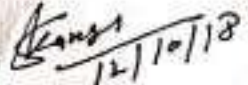
Therefore, you are requested to take further necessary action in this regard.


12/10/18
Deputy Registrar (Academic)
for Registrar

DA: as above

Endst. No.Acad./AC-III/F-27 & 40/2018/ 5586-5604 Dated: 12/10/18

1. Director, Haryana School of Business, GJUS&T, Hisar, with the request to get upload the scheme & syllabi of above said subject on the website of the University.
2. All Principals of concerned affiliated degree colleges of District, Hisar (alongwith copy of scheme of examinations and syllabi of Economics - (1st to 6th semester) as a subject in B.A. course to be implemented w.e.f the academic session 2018-19)


12/10/18
Deputy Registrar (Academic)
for Registrar

**Scheme of Economics Course in B.A. under Semester
System w.e. f. 2018-19 in Phased Manner**

Guru Jambheshwar University of Science and Technology, Hisar

Bachelor of Arts (B.A.) Economics

(Semester-wise Syllabus, 2018-19 Onwards)

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20/7/2018

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Guru Jambheshwar University of Science and Technology, Hisar

Scheme for Theory Based Subjects

Guidelines for Scheme of examination of Economics Course (under semester system)

The Scheme of Examination of undergraduate (UG) Courses under Faculty of Humanities & Social Sciences run by affiliated degree colleges will be under 80: 20 (external: internal) for theory based courses. Pass percentage will be

For the UG courses under Faculty of Humanities & Social Sciences, the guidelines regarding scheme and paper setting will be followed as:

For the end semester examinations, nine questions are to be set by the examiner. The candidates shall attempt five questions in all. First question will be compulsory of 20 marks based on the entire syllabus. It will comprise of ten short answer type questions of two marks each. Students are required to attempt any four questions out of remaining eight questions (these eight questions may be (in) up to four units depending on the subject). All remaining questions shall carry equal marks.

Scheme: 80:20 (external: internal)

1st question=20 marks (10 short answer type questions of two marks each)

Rest four questions: 15 marks each i.e. $4 \times 15=60$

Total = $(20+60) + 20 = 100$ marks

Components of Internal Assessment (Breakdown of 20 marks)

(a)	Class Test: 5 marks
(b)	Assignment: 5 marks
(c)	Participation in Class Discussions: 3 marks
(d)	Term Paper/written test/2 nd assignment: 5 marks
(e)	Attendance: 2 marks*

*Weightage of 2 marks for Attendance component out of 20 marks for Internal Assessment shall be available only to those students who attend 75% and more of classroom lectures. The break-up of marks for attendance component for theory papers shall be as under:

(a) 75% and above up to 85%: 1 mark

(b) Above 85%: 2 marks

Scheme of Economics Course in B.A. under semester system w. e. f. 2018-19 in phased manner

The candidate who opts for Economics course in his/her B.A. pass course will have to follow the following scheme:

Scheme of Economics Course in B.A. under Semester System w. e. f. 2018-19					
1st. YEAR W.E.F. (2018-19)	SEMESTER-I	External Marks	Internal Marks	Total Marks	Time
BECO-101	Principles of Microeconomics-I	80	20	100	3 Hrs.
	SEMESTER-II				
BECO-201	Principles of Microeconomics-II	80	20	100	3 Hrs.
	SEMESTER-III				
BECO-301	Principles of Macroeconomics-I	80	20	100	3 Hrs.
	SEMESTER-IV				
BECO-401	Principles of Macroeconomics-II	80	20	100	3 Hrs.
	SEMESTER-V (Candidate has to opt one paper from the options in Group-1)				
Group-1	BECO-501: Money and Banking	80	20	100	3 Hrs.
	BECO-502: International Economics	80	20	100	3 Hrs.
	BECO-503: Economics of Development	80	20	100	3 Hrs.
	SEMESTER-VI (Candidate has to opt one paper from the options in Group-2)				
Group-2	BECO-601: Economic Development and Policy in India	80	20	100	3 Hrs.
	BECO-602 :Public Finance	80	20	100	3 Hrs.
	BECO-603: Environmental Economics	80	20	100	3 Hrs.

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B.A. Part - I (Economics)
Semester-I
BECO-101: Principles of Microeconomics-I

External Maximum Marks: 80
Internal Maximum Marks: 20
Time: 3Hrs

Course Description

This course intends to expose the student to the basic principles in Microeconomic Theory. In this paper, student is expected to understand the behaviour of an economic agent, namely, a consumer and a producer.

Instructions for the paper-setters and the candidates:

1. The question paper will consist of *nine* questions. The candidate shall attempt *five* questions in all. The Question No. 1 will be *compulsory*. The Candidate shall attempt *four* more questions selecting at least *one* from each Unit. The paper will carry 100 marks out of which 20 marks will be earmarked for internal assessment.
2. The **Compulsory Question No.1** will be short answer type questions containing *ten* questions of equal marks (i.e., 2 marks each) spread over the whole syllabus. Other questions will carry the 15 marks each.

Course Outline

Unit-I

Economics: Definition, Nature, Scope. Problem of scarcity and choice: scarcity, choice and opportunity cost; production possibility frontier; economic systems. Demand and supply: law of demand, determinants of demand, shifts of demand versus movements along a demand curve, market demand, law of supply, determinants of supply, shifts of supply versus movements along a supply curve, market supply, and market equilibrium. Applications of demand and supply: price rationing, price floors, consumer surplus, producer surplus. Elasticity: types, methods and determinants of price elasticity

Unit-II

Consumer behaviour: concept of utility, diminishing marginal utility, Diamond-water paradox, income and substitution effects; Consumer choice: indifference curves, derivation of demand curve from indifference curve and budget constraint.

Unit-III

Production: behaviour of profit maximizing firms, production process, production functions, law of variable proportions, choice of technology, isoquant and isocost lines, cost minimizing equilibrium condition. Supply curve & elasticity of supply.

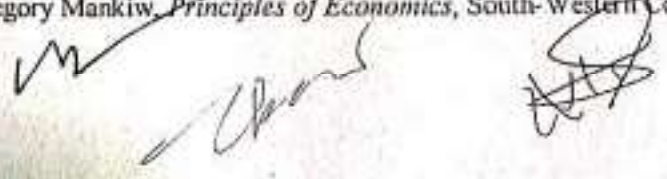
Unit-IV

Cost Analysis: costs in the short run and in the long run (traditional and modern approach), accounting and economic costs, actual costs and opportunity Costs; Revenue: total, average and marginal revenue. Break even analysis and its uses.

Suggested Readings:

Case, Karl E. & Ray C. Fair, *Principles of Economics*, Pearson Education, Inc., 12th edition, 2016.

N. Gregory Mankiw, *Principles of Economics*, South-Western College; 8th Edition(2017)



J.E. Stiglitz and G.E. Walsh, *Principles of Economics*, W.W Norton & Co. N.Y.

Paul Samuelson and Nordhaus, *Economics*, Tata McGraw Hill Publishing Company, New Delhi. 19th Edition (2009)

Alec Chrystal Richard Lipsey, *Economics*, Oxford University Press, Oxford (2015), 13th edition.

A. Koutsoyiannis, *Modern Microeconomics*, Macmillan Publication (2003).

W.J Baumol & Alan S. Blinder, *Microeconomics: Principles and Policy*, Cengage Learning India Pvt Ltd (2008)

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B.A. Part - I (Economics)
Semester-II
BECO-201: Principles of Microeconomics-II

External Marks:80
Internal Marks :20
Time: 3Hrs.

Course Description

This is a sequel to Principles of Microeconomics-I covered in the first semester. The objective of the course is the same as in Principles of Microeconomics-I.

Course Outline

Unit-I

Market Structures- Concepts and types; Perfect Competition: assumptions, theory of a firm under perfect competition, demand and revenue; equilibrium of the firm in the short run and long run; long run industry supply curve: increasing, decreasing and constant cost industries. Welfare: allocative efficiency under perfect competition.

Unit-II

Theory of a monopoly firm: concept of imperfect competition; short run and long run price and output decisions of a monopoly firm; concept of a supply curve under monopoly; comparison of perfect competition and monopoly, social cost of monopoly, price discrimination; remedies for monopoly: Antitrust laws, natural monopoly.

Unit-III

Imperfect Competition- Monopolistic competition: assumptions, short run and long run price and output determinations, economic efficiency and resource allocation; oligopoly: assumptions, oligopoly models, game theory, contestable markets, role of government.

Unit-IV

Income Distribution and Factor pricing: Marginal productivity theory of distribution, Ricardian theory of rent; Theories of interest: Classical and Neoclassical; Marginal productivity theory of Wages;

Suggested Readings:

Case, Karl E. & Ray C. Fair, *Principles of Economics*, Pearson Education, Inc., 12th edition, 2016.

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2016.

N. Gregory Mankiw, *Principles of Economics*, South-Western College, 8th Edition (2017)

J.E. Stiglitz and G.E. Walsh, *Principles of Economics*, W.W Norton & Co. N.Y.

Paul Samuelson and Nordhaus, *Economics*, Tata McGraw Hill Publishing Company, New Delhi. 19th Edition (2009)

Alec Chrystal Richard Lipsey, *Economics*, Oxford University Press, Oxford (2015), 13th edition.

A. Koutsoyiannis, *Modern Microeconomics*, Macmillan Publication (2003).

W.J Baumol & Alan S. Blinder, *Microeconomics: Principles and Policy*, Cengage Learning India Pvt Ltd (2008)



B.A. Part - II (Economics)
Semester-III
BECO-301: Principles of Macroeconomics-I

External Maximum Marks: 80
Internal Maximum Marks: 20
Time: 3Hrs

Course Description

This course introduces students to the basic concepts in Macroeconomics. Macroeconomics deals with the aggregate economy. In this course the students are introduced to the definition, measurement of the macroeconomic variables like GDP, consumption, savings, investment and balance of payments. The course also discusses various theories of determining GDP in the short run.

Instructions for the paper-setters and the candidates:

1. The question paper will consist of *nine* questions. The candidate shall attempt *five* questions in all. The Question No. 1 will be *compulsory*. The Candidate shall attempt *four* more questions selecting at least *one* from each Unit. The paper will carry 100 marks out of which 20 marks will be earmarked for internal assessment.
2. The **Compulsory Question No.1** will be short answer type questions containing *ten* questions of equal marks (i.e., 2 marks each) spread over the whole syllabus. Other questions will carry the 15 marks each.

Course Outline

Unit-I

Introduction: nature, meaning and scope of macro-economics. The Concepts and measurement of national income statistics and Circular flow of income in two, three and four sector economy.

Unit-II

Consumption function: average and marginal propensity to consume, Keynesian psychological law of consumption.

Investment function: types of investment, investment demand schedule and factors affecting investment decisions, marginal efficiency of capital, static and dynamic multiplier & accelerator.

Unit-III

Determination of income and employment: classical and Keynesian theories of income, output and employment, Say's law of markets. Principle of effective demand.

Unit-IV

Money and banking: money: definition, functions and role quantity theory of money: fisher's equation and Cambridge equation, Keynesian liquidity preference theory. Banking: major functions of commercial banks and process of credit creation.

Suggested Readings:

Case, Karl E. & Ray C. Fair, *Principles of Economics*, Pearson Education, Inc., 12th edition, 2016.
Sikdar, Shoumyen, *Principles of Macroeconomics*, 2nd Edition, Oxford University



Alce Chrystal Richard Lipsey, *Economics*, Oxford University Press, Oxford (2015), 13th edition.

Ackley, G (1978), —*Macroeconomics: Theory and Policy*, Macmillan, New York.

Branson, W. A. (1989), —*Macroeconomics: Theory and Policy*, 3rd ed. Harper and Harper and Row, New York.

Shapiro, E (1996), —*Macroeconomics: Analysis*, Galgotia Publication, New Delhi

Stiglitz J. E. and Carl E. Walsh (2002), *Principles of Macroeconomics*, W.W. Norton and Company, New York.

Paul Samuelson and Nordhaus, *Economics*, Tata McGraw Hill Publishing Company, New Delhi. 19th Edition (2009)

N. Gregory Mankiw, *Principles of Economics*, South-Western College; 8th Edition (2017)



B.A. Part - II (Economics)
Semester-IV
BECO-401: Principles of Macroeconomics-II

External Maximum Marks: 80

Internal Maximum Marks: 20

Time: 3Hrs

Course Description

This is a sequel to Principles of Macroeconomics-I. It analyses various theories of determination of National Income in greater detail. It also introduces students to concept of inflation, its relationship with unemployment and some basic concepts in an open economy.

Instructions for the paper-setters and the candidates:

1. The question paper will consist of *nine* questions. The candidate shall attempt *five* questions in all. The Question No. 1 will be *compulsory*. The Candidate shall attempt *four* more questions selecting at least *one* from each Unit. The paper will carry 100 marks out of which 20 marks will be earmarked for internal assessment.
2. The **Compulsory Question No.1** will be short answer type questions containing *ten* questions of equal marks (i.e., 2 marks each) spread over the whole syllabus. Other questions will carry the 15 marks each.

Course Outline

Unit-I

IS-LM analysis: derivations of the IS and LM functions; IS-LM and aggregate demand; shifts in the IS-LM curve.

Unit-II

Inflation types and theories: cost-push and demand-pull, measures to control inflation. Relationship between inflation and unemployment; Phillips curve in short run and long run.

Unit-III

Trade cycle: meaning, phases and theories of trade cycles- Samuelson and Hicks; monetary and fiscal policies for stabilization.

Unit-IV

Balance of payments and exchange rate: balance of payments; current account and capital account; market for foreign exchange; determination of exchange rate.

Suggested Readings:

Case, Karl E. & Ray C. Fair, *Principles of Economics*, Pearson Education, Inc., 8th edition, 2007.

Sikdar, Shoumyen, *Principles of Macroeconomics*, 2nd Edition, Oxford University

Lipsey R.G. and K.A. Christal (1999) —Principles of Economics 9th Ed., Oxford University Press.

Ackley, G (1978), —Macroeconomics: Theory and Policy, Macmillan, New York.

Branson, W. A. (1989), —Macroeconomics: Theory and Policy, 3rd ed, Harper and Harper and Row, New York.

Shapiro, E (1996), —Macroeconomics: Analysis, Galgotia Publication, New Delhi.

Stiglitz J. E. and Carl E. Walsh (2002), Principles of Macroeconomics, W.W. Norton and Company, New York.

Paul Samuelson and Nordhaus: (2005) —Economics (18th Ed.) Tata Hill Publishing Company, New York.

Mankiw N. Gregory: (2007) —Principles of Economics, Thomson, Indian Reprint.



Course Description

This course exposes students to the theory and functioning of the monetary and financial sectors of the economy. It highlights the organization, structure and role of financial markets and institutions. It also discusses interest rates, monetary management and instruments of monetary control. Financial and banking sector reforms and monetary policy with special reference to India are also covered.

Instructions for the paper-setters and the candidates:

1. The question paper will consist of *nine* questions. The candidate shall attempt *five* questions in all. The Question No. 1 will be *compulsory*. The Candidate shall attempt *four* more questions selecting at least *one* from each Unit. The paper will carry 100 marks out of which 20 marks will be earmarked for internal assessment.
2. The **Compulsory Question No.1** will be short answer type questions containing *ten* questions of equal marks (i.e., 2 marks each) spread over the whole syllabus. Other questions will carry the 15 marks each.

Course Outline

Unit-I

Money: Concept, functions, measurement; theories of money supply determination. Financial Institutions, Markets, Instruments and Financial Innovations: Role of financial markets and institutions; problem of asymmetric information – adverse selection and moral hazard; financial crises.

Unit-II

Money and capital markets: organization, structure and reforms in India; Interest Rates: Determination; sources of interest rate differentials; theories of term structure of interest rates; interest rates in India.

Unit-III

Banking system: commercial banking- functions, major developments and reforms in Indian banking system since 1991. Non-banking financial institutions (NBFIs) – role and structure NBFIs in India.

Unit-IV

Central banking and monetary policy: role and functions; goals, targets, indicators and instruments of monetary control; current monetary policy of India.

Suggested Readings:

F. S. Mishkin and S. G. Eakins, *Financial Markets and Institutions*, Pearson Education, 6th Edition, 2009.

F. J. Fabozzi, F. Modigliani, F. J. Jones, M. G. Ferri, *Foundations of Financial Markets and Institutions*, Pearson Education, 3rd edition, 2009.

L. M. Bhole and J. Mahukud, *Financial Institutions and Markets*, Tata McGraw Hill, 5th edition, 2011.

M. Y. Khan, *Indian Financial System*, Tata McGraw Hill, 7th edition, 2011.

Various latest issues of R.B.I. Bulletins, Annual Reports, Reports on Currency and Finance and Reports of the Working Group, IMF Staff Papers

Course Description

The course intends to provide a deep understanding about the broad principles and theories, which tend to govern the free flow of trade in goods, services and capital- both short-term and long-term- at the global level. The contents of the paper spread over the different modules, lay stress on the theory and nature of the subject which, in turn, will greatly help them to examine the impact of the trade policies followed both as the national and international levels as also their welfare implications at macro level and the distribution of gains from trade.

Instructions for the paper-setters and the candidates:

1. The question paper will consist of *nine* questions. The candidate shall attempt *five* questions in all. The Question No. 1 will be *compulsory*. The Candidate shall attempt *four* more questions selecting at least *one* from each Unit. The paper will carry 100 marks out of which 20 marks will be earmarked for internal assessment.
2. The **Compulsory Question No.1** will be short answer type questions containing *ten* questions of equal marks (i.e., 2 marks each) spread over the whole syllabus. Other questions will carry the 15 marks each.

Course Outline

Unit-I

The pure theory of international trade: theories of absolute advantage, comparative advantage and opportunity costs. H-O theory, Factor price equalization, Terms of trade.

Unit-II

Commercial policy: the theory of tariffs, optimum and effective rate of tariff, inter-relationship between trade, aid and economic development. The theory of economic integration among nations; forms of economic integration. The theory of customs union.

Unit-III

Balance of payments, exchange rate and trade structures: the process of adjustment in the balance of payments. The concept of foreign trade multiplier. Fixed vs. Flexible exchange rates and their relative merits and demerits.

Unit-IV

International monetary system; IMF and international monetary system, present international monetary system, problems of international liquidity, New international economic order.

Suggested Readings :

Soderston , B. O. (latest edition), *International Economics*, 2nd Edition, Macmillan Press, London,

Salvatore, Dominick (latest edition) , *International Economics*, John Wiley & Sons.

Krugman P. R. & Obstfeld Maurice (latest edition), *International Economics – Theory and Policy*, Addison-wesley.

Kindleberger, C. P. (latest edition), *International Economics*, Richard Irwin, Homewood, Illinois, Indian Edition.



Course Description

Course structure enables the students to know about theories of growth and development, sectoral aspects of development and investment criteria. Issues relating to poverty and HDI also find their due place.

Instructions for the paper-setters and the candidates:

1. The question paper will consist of *nine* questions. The candidate shall attempt *five* questions in all. The Question No. 1 will be *compulsory*. The Candidate shall attempt *four* more questions selecting at least *one* from each Unit. The paper will carry 100 marks out of which 20 marks will be earmarked for internal assessment.
2. The **Compulsory Question No.1** will be short answer type questions containing *ten* questions of equal marks (i.e., 2 marks each) spread over the whole syllabus. Other questions will carry the 15 marks each.

Course Outline

Unit - I

Economic growth and economic development, development and underdevelopment, approaches to economic development, factors affecting economic growth.

Unit -II

Poverty — absolute and relative; measuring poverty – head count and poverty gap, vicious circle of poverty. Human development index (HDI) and other indices of development and quality of life. Population problem and growth pattern of population in developing countries.

Unit -III

Traditional measures of economic development – national income, per capital income, UNDP indices for measurement of development. Classical theory of development- Adam Smith and Marx

Unit- IV

Steady state growth models — Harrod-Domar, neo classical model of growth- Robert Solow, Cambridge model of growth – Joan Robinson

Suggested Readings:

- Adelman, I. (latest edition), *Theories of Economic Growth and Development*, Stanford University Press, Stanford.
- Ghatak, S. (latest edition), *An Introduction to Development Economics*, Allen and Unwin, London.
- Olivier de la Grandville (latest edition), *Economic Growth: A Unified Approach*, Cambridge University Press.
- Hayami, Y. (1997), *Development Economics*, Oxford University Press, New York.
- Kindleberger, C.P. (latest edition), *Economic Development*, 3e, McGraw Hill, New York.
- Meier, G.M. (latest edition), *Leading Issues in Economic Development*, 6e, Oxford University Press, New Delhi.
- Myint, Hla (latest edition), *The Economics of Underdeveloped Countries*, Preager, New York.
- Thirlwal, A.P. (latest edition), *Growth and Development*, Macmillan, London.

B.A. Part - III (Economics)

Semester-VI

BECO-601: Economic Development and Policy in India

External Maximum Marks: 80

Internal Maximum Marks: 20

Time: 3Hrs

Course Description

Using appropriate analytical frameworks, this course reviews major trends in economic indicators and policy debates in India in the post-Independence period, with particular emphasis on paradigm shifts and turning points.

Instructions for the paper-setters and the candidates:

1. The question paper will consist of *nine* questions. The candidate shall attempt *five* questions in all. The Question No. 1 will be *compulsory*. The Candidate shall attempt *four* more questions selecting at least *one* from each Unit. The paper will carry 100 marks out of which 20 marks will be earmarked for internal assessment.
2. The **Compulsory Question No.1** will be short answer type questions containing *ten* questions of equal marks (i.e., 2 marks each) spread over the whole syllabus. Other questions will carry the 15 marks each.

Course Outline

Unit -I

Economic development since independence: major features of Indian economy at independence and characteristics of economic underdevelopment of India (with reference to colonial-rule of India); trend in national income and per capita income; sectoral composition (output and employment) - primary, secondary and tertiary. Development under different policy regimes—goals, constraints, institutions and policy framework;

Unit -II

Population and human development: broad demographic features — population size and growth rates, sex and age composition, occupational distribution. Density of population, urbanization and economic growth in India. Population growth as a factor of economic development, national population policy, progress of human development in India. Development of education in India, health and family welfare and the development of health infrastructure.

Unit -III

Structural change of post independent Indian economy :growth, distribution and trends of national income, sectoral distribution. An assessment of performance—sustainability and regional contrasts; structural change, savings and investment. Trends, measurement and policies in poverty; inequality-measurement, causes and effects, unemployment-types, causes and employment policies in India.

Unit -IV

Indian economy in post reform period: background of Indian economic reforms – new economic policy; redefining India's development strategy; changing role of state and market industrial policy, disinvestment policy and privatization; financial sector reforms including banking reform.

Suggested Readings:

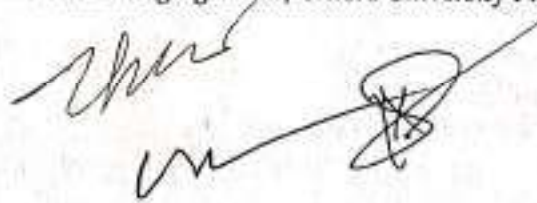
Jean Dreze and Amartya Sen, Jean Dreze and Amartya Sen, 2013. *An Uncertain Glory: India and its Contradictions*, Princeton University Press.

Pulapre Balakrishnan ,Economic Reforms and Growth in India: Essays from Economic and Political Weekly Paperback ,Orient Blackswan (June 30, 2011) .

Kapila, Uma(Latest edition), *Indian Economy: Performance and Policies*™ Academic Foundation, New Delhi.

Mishra S. K. and Puri, V. K., *Indian Economy*, Himalaya Publishing House (Latest Ed.)

Panagariya, Arvind (2008), *India : The Emerging Giant*, Oxford University Press.



B.A. Part - III (Economics)
Semester-VI
BECO-602: Public Finance

External Maximum Marks: 80
Internal Maximum Marks: 20
Time: 3Hrs

Course Description

Role and function of the Government in an economy have been changing with the passage of time. The term 'Public Finance' has traditionally been applied to the package of those policies and operations which involve the use of tax and expenditure measures while budgetary policy is an important part to understand the basic problems of use of resources, distribution of income etc. there are vast array of fiscal institutions- tax system, expenditure programs, budgetary procedures, stabilization instruments, debt issues, levels of government etc., which raise a spectrum of issues arising from the operation of these institutions. Further, the existing of externalities, concern for adjustment in the distribution of income and wealth, etc. require political processes for their solution in a manner which combines individual freedom and justice.

Instructions for the paper-setters and the candidates:

1. The question paper will consist of *nine* questions. The candidate shall attempt *five* questions in all. The Question No. 1 will be *compulsory*. The Candidate shall attempt *four* more questions selecting at least *one* from each Unit. The paper will carry 100 marks out of which 20 marks will be earmarked for internal assessment.
2. The **Compulsory Question No.1** will be short answer type questions containing *ten* questions of equal marks (i.e., 2 marks each) spread over the whole syllabus. Other questions will carry the 15 marks each.

Course Outline

Unit-I

The principle of public finance – subjective and objective criteria. Theory of public expenditure: maximum social advantage, theory of social goods: distinction between public, private and merit goods. Public expenditure type & effects of public expenditure on production, distribution and economic growth.

Unit-II

Public revenue: approaches of equity in taxation: benefits principle cost of service principle, ability to pay theory. Effects of taxation. Analysis of major taxes – income tax, expenditure tax, corporation tax, wealth tax, excise duties, sales tax, and custom duties. The concept of taxable capacity. Taxation in a developing economy. Fiscal incidence: theories of tax shifting, concepts of incidence, measurement of incidence.

Unit-III

Public debt: role of public debt. Different forms of public debt. Burden of public debt, redemption of public debt. Debt management. Budgetary policy: functional and economic classification of budgets and their uses.

Unit-IV

Balance and unbalanced budgets. Fiscal federalism: principles of federal finance. Budget as an instrument of mobilization and channelization of resources and redistribution of income and wealth.

Suggested Readings:

Buchanan J.M., *Public Finance in the Domestic Process* (Collected works of James M Buchanan), Library Fund, USA.
Musgrave R. A. & Musgrave P. B. (latest edition), *Public Finance in Theory and Practice*, Mc Hill Publishers
Taylor P.E (1949), *The Economics of Public Finance*, Macmillan Publishers, New York.



B.A. Part - III (Economics)
Semester-VI
BECO-603: Environmental Economics

External Maximum Marks: 80
Internal Maximum Marks: 20
Time: 3Hrs

Course Description

This course introduces students to concepts, methods and policy options in managing the environment using tools of economic analysis. This course should be accessible to anyone with an analytical mind and familiarity with basic concepts of economics. Since several environmental problems are caused by economic activity (for instance, carbon emissions, over-harvesting of renewable resources and air and water pollution as a by-product of industrial activity), this course examines different approaches to adjusting behaviour through economic institutions such as markets and incentives as well as through regulation, etc. It also addresses the economic implications of environmental policies through practical applications of methods for valuation of environmental goods and services and quantification of environmental damages. Conversely, the impact of economic growth on the environment is also addressed under the rubric of sustainable development. Environmental problems and issues from the Indian and international context (especially global warming) are used to illustrate the concepts and methods presented in the course. The course will be useful for students aiming towards careers in the government sector, policy analysis, business, journalism and international organisations.

Instructions for the paper-setters and the candidates:

1. The question paper will consist of *nine* questions. The candidate shall attempt *five* questions in all. The Question No. 1 will be *compulsory*. The Candidate shall attempt *four* more questions selecting at least *one* from each Unit. The paper will carry 100 marks out of which 20 marks will be earmarked for internal assessment.
2. The **Compulsory Question No.1** will be short answer type questions containing *ten* questions of equal marks (i.e., 2 marks each) spread over the whole syllabus. Other questions will carry the 15 marks each.

Course Outline

Unit-I

Key environmental issues and problems, economic way of thinking about these problems, basic concepts from economics; Pareto optimality and market failure in the presence of externalities; property rights and other approaches.

Unit-II

The design and implementation of environmental policy: overview, Pigouvian taxes and effluent fees, tradable permits, implementation of environmental policies in India and international experience; trans boundary environmental problems; economics of climate change.

Unit-III

Environmental valuation methods and applications: valuation of non-market goods and services--theory and practice; measurement methods; cost-benefit analysis of environmental policies and regulations.

Unit-IV

Sustainable development: concepts; measurement; Perspectives from Indian experience

Suggested Readings:

Roger Perman, Yue Ma, Michael Common, David Maddison and James McGilvray, *Natural Resource and Environmental Economics*, Pearson Education/Addison
Goodstein, E.S. (latest edition), *Economics and the Environment*, Prentice Hall.
Hanley, N., Shogren, J.F and White, B (latest edition), *Environmental Economics in Theory and Practice*, Macmillan Publication