

COURSES OF STUDIES

PRIVATE EXAMINATION



Sambalpur University

MA PART - I

2015

Economic

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PRIVATE EXAMINATION CELL

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Revealed Preference Analysis :

Theory of Production : Production function, The Law of diminishing returns, three stages of production and symmetry of the stages of production, Return to scale, The concept of the isoquants, isocosts, Optimal combination of resources, Expansion path, Linear homogeneous production functions.

Theory of Cost :

Shape of the short run and long run cost curves and their relationship. Internal and External economics and diseconomics of scale.

Equilibria Under Different Market Forms :

Profit Maximisation Hypothesis, Baumol's sales maximisation Hypothesis Market. Classification and the demand curve faced by the firm, Pricing the output under perfect competition, market period, short run and long run equilibria of the firm and industry, theory of price and long run equilibria of the firm and industry, theory of price under monopoly, Price discrimination. Theory of Price under monopolistic competition, Equilibrium of the firm and group with respect to price, quality of the product and advertising outlays. Market imperfections

and excess capacity. Theories of price in oligopolistic market, Cournot model etc. Mark up pricing and Bain's limit pricing.

Theories of Distribution :

Marginal productivity theory, input pricing, pure competition in both product and input markets, imperfect competition in the input market, Monopoly in the product market and monopoly in the input market. Euler's theorem, the adding up theorem and exploitation of labour controversy.

Theories of wages, rent, interest, derivation of I.S. and L.M. functions recent development, Kaldorian Macro-economic model of distributions, constancy of labour share.

Introduction to linear programming and game theory.

Theory of Welfare Economics :

Meaning of economic welfare interpersonal comparisons and value judgements, optimum conditions social welfare. The choice of welfare criteria and social welfare function. The general theory of second best. General Equilibrium Theory.

PAPER-III

QUANTITATIVE METHODS

Addition : Addition shall be divided in the two groups as Group-A and Group-B. The students will be required to Answer two questions from each group.

a) Probability Theory :

Total Probability, compound probability, conditional probability, Bayes theorem, Mathematical expectation. Probability distribution, Binomial, Normal, Poisson, Multi-nomial and Hyper geometric Law of large numbers and Central limit theorem (without proof), Standard sampling distribution, Chi-square, T and F (definition and properties).

b) Statistical Inference :

Concept and methods of estimation, unbiasedness and minimum variance, confidence intervals, Hypothesis testing-concepts and methods - simple and composite hypothesis, Type-I and Type-II errors.

c) Regression Analysis :

Classical Linear regression model - Least squares method, assumptions, violations of classical assumptions, introduction to non-linear regression, multivariate distribution,

PAPER - II

ECONOMIC DEVELOPMENT AND PLANNING

Development : Concepts and measurement, development and growth, Development indicators : the basic needs approach, POLI, Human Development indices.

Theories of Development : Classical models (A. Smith, Ricardo, Marx and Schumpeter). Economic backwardness and Variations in Development path : Rustow and Gershenkron.

Capital Accumulation and Industrialisation : Focus on Inter-industry relationship, Big push, critical minimum efforts, Balanced-unbalanced growth and linkage effects, growth poles, backwash effects (Myrdal).

Saving and Capital Formation : Choice of Technique and investment criteria.

Economic Dualism and agriculture centered development, surplus labour and its contribution to development, Lewis model and its critique (Ranis and Peils contribution). Stagnation in backward agriculture (Bhaduri's model and its criticism).

Migration and Unemployment : The Harris-Todaro model and policy issues, the urban informal sector, the labour turn over model.

Trade and Economic Development : Terms and Trade (Singer-Prebisch thesis). Dual gap theory, Role of Foreign capital and technology in growth. The importance of multinationals.

Relations between state, planning and growth: Changing roles of market and plans in economic policy and growth.

Keynesian and Neo classical growth models (Harrod-Doman, Kaldor and Solow models).

Development Planning : Case for economic planning, planning models; problems of poverty and unemployment and policies to tackle these problems. (Harrod-Domar Model, The Fieldman-Mahalannobis Two sector and four sector model).

Books Recommended :

- 1) Ghatak, S. (1986), An Introduction to Development Economics, Allen & Unwin, London.
- 2) Little, I.M.D. (1982), Economic Development : Theory, Policy and International Relations, Basic Books, New York.
- 3) Meir, G.M. & D. Seers (eds) (1987), Pioneers in Development, Oxford University Press, New York.

- 4) Thirwall, A.P. (1995), Growth and Development, Macmillian, London.
- 5) Tadaro, M.P. (1996), Economics for a Developing World, Logman, London, 6th Ed.
- 6) Adelman, I. (1961), Theories of Economic Growth and Development, Stanford University Press, Stanford.
- 7) Sen, A.K. (1962), Choice of Technique, Basic Blackwell, Oxford University Press, New Delhi.
- 8) Sen, A.K. (1975), Employment, Technology and Development, Oxford University Press, New Delhi.
- 9) Chakravarty, S. (1987), Development Planning, The Indian Experience, Clarendon Press, Oxford.
- 10) Basu, K. (1984), The Less Developed Economy : A critique of Contemporary Theory, Oxford University Press.
- 11) Bhaduri, A. (1984), The Economic Structure of Backward Agriculture, Macmillian, Delhi.
- 12) Y. Hayami (1996), Development Economics.
- 13) Primit Chaudhury, Theories of Growth, OUP.

between money, nominal income and prices, Keynesian criticism, the demand for money. Keynesian monetary theory Versus.

Monetarism : Transmission mechanism and effectiveness of monetary policy, intermediation, port folio balance and asset prices, liquidity of financial assets, availability of credit and Economic activity.

Supply of money - Theory and empirical evidence for India. Credit: Role in production and investment, sources of credit in India, the aggregate supply of bank credit theory and emperical evidence for India, R.B.I and credit planning, institutional credit for government, interborrower allocation of credit.

Credit and Financial System : Kinds of credit - financial markets, money markets and capital markets, concepts of credit creation, co-operative banks and their structure, Development banks, Non-Bank Financial Intermediaries of NBFs - unregulated credit markets and credit agencies.

Changing concepts of Central Banking, Objectives, guidelines and measure of Central Banks - Role of Central Banks in developing countries, regulatory and promotional, The currency and the credit schools - Real bills doctrine, qualitative versus quantitative control, Redcliffe committee view

partial and multiple correlation, correlation ratio.

d) Calculus :

Concepts of Limit, Logarithmic, exponential series, Continuity. The derivative Techniques of differentiation, Functions of more than one variable. The differential partial and total derivatives, Maxima and Minima of function. Variable case.

e) Integral Calculus :

Area as an integral and techniques of integration.

f) Simple difference and differential equation and their applications.

g) Elementary Matrix Algebra :

The notion of matrix and elementary operations, Determinants and their properties, matrix inversion and simultaneous equation systems. Linear homogenous equation systems, quadratic forms, Characteristic roots and vectors.

Selected Reference :

- 1) Taro Yamane : Mathematics for Economics.
- 2) T. Yamane : Statistics - An Introductory Analysis.

The quantity theory of Money : The relation

- 3) A.C. Chaing : Fundamental Methods of Mathematical Economics.
- 4) Nagar & Das : Basic Statistics.
- 5) S.C. Gupta : Fundamentals of Statistics.
- 6) Archibald & Sipsey R.G. : A Mathematical Treatment of Economics.
- 7) Hoel, P.G. : Elementary Statistics.
- 8) R.G.D. Allen : Statistics for Economics.
- 9) M. Cromer : Mathematical Methods of Statistics.
- 10) S.S. Wilks : Mathematical Statistics.

STATISTICAL METHODS

Definition of Statistics, types of variable, classification, tabulation and graphic presentation of data.

Study of frequency of data, measures of central tendency, measures of dispersion, skewness, moments and kurtosis.

Bivariate distribution, simple correlation, linear regression, Multivariate distribution.

Elements of probability theory, total probability compound, probability and mathematical expectation.

Frequency distribution : Binomial, Normal, Poisson with important properties.

Estimation theory - interval estimation, Test of hypothesis level of significance, large and small tests, T-test, Z-test, F-test and Chi-square test.

Index numbers quantity and price index number, index number, formulae, construction of index numbers, time reversal, factor reversal and circular test.

Time series analysis, estimation of trend by free band method, moving average and least squares method, growth curves, adjustment for seasonal variation, cyclical fluctuation.

Selected Reference :

- 1) T. Yamane : Statistics - An Introductory Analysis.
- 2) R.G.D. Allen : Statistics for Economics.
- 3) P.G. Hoel : Elementary Statistics.
- 4) S.C. Gupta : Fundamentals of Statistics.
- 5) Nagar & Das : Basic Statistics.

MONEY AND FINANCIAL INSTITUTIONS

The nature and scope of monetary theory : The classical dichotomy and the neutrality of money in equilibrium and during the process of adjustment. Linkage between the monetary sector and the real sector.

- 1) Erice Roll : History of Economic Thought.
- 2) A. Gray : The Development Economic Doctrines.
- .3) Gide and Rist : History of Economic Doctrines.
- 4) L.D. Abott : Master Works of Economics.
- 5) A. Gray : The Socialist Tradition.
- 6) Hones : History of Economic Thought (Latest edition).
- 7) Gonran : Review of Economic Theory.
- 8) Stringle : Theories of Production and distribution.
- 9) Newmen, P.G. : The Development of Economic thought.
- 10) J. Schumpeter :The Great Economist.
- 11) Taylor, O.T. : A History of Economic Thought.
- 12) Mark Blang :Economic Theory in Retrospect.

point. The R.B.I., role, functions and working, special role of NABARD and RRBs.

Reference :

- 1) Patinkin, D : Money, Interest and Prices, 2nd Ed.
- 2) Lindback, A. : A study in Monetary Analysis.
- 3) Hicks, J.R. : Critical Essays in Monetary Theory.
- 4) Gurley, J. & Shaw, E : Money in a Theory of Finance.
- 5) Bibson, W.E. & Kaufman, B.G. (Ed) : Monetary Economics : Readings on current issues.
- 6) Gupta, S.B. : Monetary Planning for India.
- 7) Gupta, S.B. : Monetary Economics.
- 8) Harris, L. (1985) : Monetary Theory, Maeguthill, New York.
- 9) Laillev, D. (1977) : Demand for money, 2nd Ed.

PAPER - IV

HISTORY OF ECONOMIC THOUGHT

Transition from Medieval period to Modern period, Mercantilism and Physiocracy Mercantilists trade, surplus scheme role of Government criticisms, rehabilitation by Keynes and modern day relevance of mercantilism. Physiocracy - the science of natural order. Tableau Economique - comparison with Marxian simple commodity production model and input output model.

Classical Political Economy :

Theories of value, distribution, trade, development and other ideas of Smith, Ricardo and Malthus Criticisms and validity. The Corn Law controversy.

Populariser of Classical thought in France- J.B. Say's Law of Markets Criticisms - Malthusian theory of glut, Marx's under consumption hypothesis, Keynes's saving - investment disequilibrium analysis and Patinkin's criticism of dichotomisation of pricing process.

Restatement of classical doctrine - John Stuart Mill. Mill's Wages Fund Theory, Loanable funds theory, real bills doctrine, reciprocal demand theory, concept of stationary state and socialistic ideas of Mill.

Socialistic Critics :

Utopian socialist and Karl Marx's Scientific socialism. Materialistic interpretation of History, theory of surplus value and transformation problem, growth dynamics, validity of prophecy in Industrial state.

Marginalist Revolution :

Reaction against classical cost and supply theory of value, importance of Marginal utility and marginal productivity in determination of value in commodity and factor markets. Contributions of Gossen, Jevons and Walras and Austrian Economists, Menger, Weiser and Bohm- Bawerk's capital theory.

Neo-Classical School :

Pigou, Marshall and Wickseil's Swedish School, Neo-classical contributions to the theory of money, interest and prices, welfare economics; Pigou, Pareto and Marshall, Marshall's grand synthesis.

Keynesian Economics :

Failures of cheap money policy and wage cut policy during Great Depression, Keynesian Revolution, Post Keynesian developments.

INDIAN ECONOMIC PROBLEMS

1) Indian Agriculture :

Role, Nature and cropping pattern, production and productivity trends and agricultural policy, land reform, Green Revolution, Farm mechanisation, Agricultural Finance, Agricultural prices and Agricultural price policy.

2) Indian Industry :

Industrial policy and control of large scale industries and the MRTP Act, Small scale and cottage industries, Public Sector in the Indian economy and the issue of privatisation, Industrial sickness, Multinational corporation and FERA, Industrial Finance.

3) National Income of India :

The pattern of Income distribution, Income inequalities, Government Policy and measures, poverty in India, the concept and incidence of poverty, strategy of poverty alleviation.

4) Money and Finance :

Money supply, Money market and banking structure, the R.B.I. and Monetary policy, price trends and inflation, Reviewing the working of Indian monetary system, Indian Stock Market and SEBI, India's fiscal policy, union budget, centre-state financial relations, Finance Commission, Planning Commission.

5) Indian Foreign Trade :

Value, Composition and Direction, India's balance of payment problems, Evaluation of India's Trade Policies, Components of Foreign Capital, Indian Government's Policy towards foreign capital, Foreign aid to India, External commercial borrowings, Non-resident deposits, India's external debt.

Indian Economic problems and prospective must be analysed keeping in view successive five year plan's objectives, strategies and mobilisation of financial resources.

Suggested Readings :

- 1) Indian Economic Problems : Amitav Kundu.
- 2) An intelligent policy guide to Liberalisation : Amit Bhaduri & Deepak Nair.
- 3) Economic reforms 1991-2001 : I.M.D. Little & Joshi.
- 4) Macro Economics in India Context : Prabhat Pattnaik.
- 5) Poverty in India : Eshwaran and Kottwal.
- 6) Indian Economic Crisis : Bimal Jalan.
- 7) Indian Economy : Uma Kapila (Volume 1,2,3).
- 8) Indian Economy : V.M. Danclakar (Volume 1,2,3).
- 9) Industrial Growth : I.J. Ahuliwalia

ADVANCED STATISTICS

Sampling - SRS with and without replacement, probability proportional to size, stratified sampling, systematic sampling, Multi stage sampling - their details derivations and each other comparison.

Demography :

Measurement of population, measurement of mortality and fertility, life table, measurement of population growth, gross reproduction rate and net reproduction rate, Income distribution, Pareto's Law - curves of concentration - Lorentz curve, Log-nomial distribution.

Analysis of Variance :

One way classification, two way classification (with one observation per cell), Analysis of two way classified data (with observations per cell). Design of Experiment : Completely Randomised design, Randomised Block design, Lat in Square design, Factorial Experiments.

Books for Reference :

- 1) Sukhatme & Sukhatme : Sampling Theory & Applications.
- 2) Taro Yamane : Elementary sampling theory.
- 3) Gupta and Kapur : Applied Statistics.
- 4) G.W. Barclay : Technique of Population Analysis.
- 5) W.G. Chochran : Sampling Techniques.
- 6) Anderson : Multivariate Statistical Analysis.