

**ECONOMICS (Hons.)**

B.A-II

**Paper -III Macro Economics**

Candidates will be required to answer any five questions out of the ten questions asked.

**Module -1 : Macroeconomics & Macroeconomic Variables :** Nature of Macroeconomics, National Income Accounts- Gross Domestic Product, National Income, Personal and Disposable Personal Income, Real vs Nominal Income, GDP Deflator.

**Module-2 : Classical Macroeconomics:** Classical Theory of Output and Employment Money, Price and Interest; Say's Law; Fiscal & Monetary Policy Implications of the Classical Model.

**Module-3 : Keynesian System :** Keynesian Conditions for Equilibrium Employment and Income in a Two Sector Economy, Consumption Function and its attributes. Saving Function, Investment Function and M.E.C. Saving Investment Equality, Investment Multiplier, Equilibrium in Three sector Economy and Changes in it.

**Module-4 : Money, Interest and Income in Keynesian System:** Money in the Keynesian System- Money Market Equilibrium (the IS Curve), Equilibrium under IS- LM Model, Fiscal & Monetary policy Implications, Derivation of Aggregate supply and Aggregate Demand, Equilibrium with Aggregate supply and Aggregate Demand.

**Module-5 : Post -Keynesian System :** Monetarist Counterrevolution, Reformulation of Quantity Theory, Fiscal & Monetary policy Implications, Output Inflation Trade-off (The Philips Curve), New Classical Economics.

**Module-6 : Trade cycle :** Nature and Characteristics, Multiplier-Accelerator Interaction Model, Measures to control Trade Cycle, Global Fiscal Crisis of 2008.

**Books Recommended:**

1. Macroeconomics: Principles and Policy, William J. Baumol, Alan S. Blinder Cengage Learning.
2. Macroeconomics (19<sup>th</sup> Edition) by Campbell McConnell, Stanley Brue and Sean Flynn, McGraw-Hill/Irwin.

4. Principles of Macroeconomics (6<sup>th</sup> Edition), N. Gregory Mankiw, Cengage Learning.
  5. Macroeconomics : Theory and Applications, 2nd Edition by D.N. Dwivedi, Pearson.
  6. Macroeconomics: Theory and Policy 19<sup>th</sup> Edition, by H. L. Ahuja, S. Chand
- Help Book–Rekha Guess Paper– Economics–III**

**PAPER – IV(International Economics)**

*Candidates will be required to answer any five questions out of the ten questions asked.*

**Module 1: Importance of Trade and Trade Theories:** Importance of the study of international economics: Inter regional and international trade, Theories of absolute advantage, comparative advantage and opportunity cost, Heckscher-Ohlin theory of Trade its main features, assumptions and limitations.

**Module 2: Gains from trade:** Gains from trade – their measurement and distribution, Trade as an engine of economic growth; concepts of terms of trade and their importance in the theory of trade; Doctrine of reciprocal demand – its importance and limitations in the theory of trade.

**Module 3 : Tariffs and Quotas :** Types of tariffs and quotas; their impact in partial equilibrium analysis; Free trade and policy of tariffs in relation to economic growth with special reference to India; Concept of optimum tariff.

**Module 4: Balance of Trade and Balance of Payments:** Concepts and components of Balance of Trade and Balance of payments: Equilibrium and disequilibrium in balance of payments; consequences of disequilibrium in balance of payments: Various measures to correct deficit in the balance of payments; concept and implications of foreign trade multiplier.

**Module 5: Foreign Exchange and International Institutions:** Exchange market and exchange rate; Exchange rate determination – the purchasing power parity theory, fixed rate and flexible rate; asset Market Model; Structure and Functions of IMF, World Bank and GATT/WTO;

**Module 6 : Foreign Trade in India:** Recent changes in the composition and direction of foreign trade; Causes and effects of persistent deficit in the balance of payment; Measures adopted by the government to correct the deficit before and after 1991; trade reforms in India: The Issue of Convertibility of Rupee; Instruments of Export promotion and recent export and import policies of India; Role of multinational corporations in India. Globalizations & its impact.

**Books Recommended:**

1. International Economics: Theory and Policy, Paul R. Krugman (Author). Maurice Obstfeld, Pearson Education.
2. International Economics, Francis Cherunilam, McGraw- Hill Education.
3. International Economics, Thomas Pugel, Tata Mc Graw Hill Education
4. International Economics, K.R. Gupta, Atlantic
5. International Economics, H.L. Bhatia, Vikas Publication House Pvt Ltd.
6. International Economics : An Introduction to Theory and Policy, Rajat Acharyya, Oxford University Press.
7. International Economics : An Introduction to Theory and Policy, Rajat Acharyya, Osford university press.

**Help Book–Rekha Guess Paper– Economics–IV**

**ECONOMICS (SUBSIDIARY)****Indian Economy**

*Candidates will be required to answer any five questions out of the ten questions asked.*

**Module-1: Indian Economy at the time of Independence:** Broad Features of the Indian Economy around 1947-1950

**Module-2: Planning: Evolution of India's development goals and strategies:** Background and structure of planning, Structural constraints and Indian development strategy: Debates between Public sector vs. Private sector, Consumer goods vs. Capital goods, Import substitution vs. Export promotion, Agriculture Industry relationship – Food crisis of the sixties; Poverty Eradication; Regional Inequalities.

**Module-3: Major issues and their impact in Indian Agriculture:** Green Revolution in India: Land Reforms: Tenancy of different kinds and their effects; Marketable Surplus: Minimum Agricultural Prices.

**Module-4: Major issues in Indian Industry and their impact:** Industrial stagnation – causes and remedies; Industrial licensing– justification and problems.

**Module-5: Poverty and Unemployment in India :** Measurement of poverty; Programmes for removal of poverty; Different types of unemployment in India.

**Module-6: The external sector of the Indian Economy:** Pattern of export and import trade prior to 1991 - Various problems.

**Module-7: Economic Reform:** 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.

**Module-8: Reforms in the Indian tax structure :** Reforms in tax structure - the report and recommendations of the Chelliah Committee, Reforms in direct and indirect taxes: Reviewing the policy of deficit financing.

**Module-9: Monetary Policy and the Reserve Bank of India:** Reviewing recent changes in the Monetary Policy of the Reserve Bank of India –the correct mix between growth promoting measures and control of inflation which policy instruments used and to what extent; Capital market in India - its structure - SEBI and the growth of the capital market.

**Module-10: International Trade and Capital Account Convertibility:** Foreign Trade policy. 2009-2014; Special Economic Zones – arguments in favour of and against them; Foreign investment inflows since 1991 - FII and FDI; Recent changes in Exchange Rate Policy - the question of Capital Account Convertibility.

**Suggested Reading :**

1. Indian Economy. K. R. Gupta, Atlantic
  2. Indian Economy, I. C. Dhingra, Sultan Chand And Sons
  3. Datt & Sundharam Indian Economy, Ashwani Mahajan Gaurav Datt. S. Chand.
  4. Indian Economy (its Development Experience) Author; Puri and Mishra, Himalaya Publishing House. N. Delhi.
- Help Book–Rekha Guess Paper– Economics (Sub.)