

MA ECONOMICS (WITH SPECIALIZATION IN PUBLIC POLICY) CBCS

Semester – I*

CBCS Codes

Micro Economic Theory and Policy	PSEPTC 101
Macro Economic Theory and Policy	PSEPTC 102
Public Economics	PSEPTC 103
Optimization Techniques and Decision Theory	PSEPTC 104

*Syllabus for the examination to be held in December 2014, 2015 and 2016

Semester – II*

Public Policy Analysis & Urban Policy	PSEPTC 201
Economics of Infrastructure & Public Policy	PSEPTC 202
Poverty, Food Security & Human Development	PSEPTC 203
Research Methodology	PSEPTC 204

*Syllabus for the examination to be held in December 2015, 2016 and 2017

Semester – III*

International Trade Theory and Policy	PSEPTC 301
Industrial Economics and Public Policy	PSEPTC 302
Sustainable Development and Public Policy	PSEPTC 303
Financial Institutions and Markets	PSEPTC 304

*Syllabus for the examination to be held in May 2015, 2016 and 2017

Semester – IV*

Economic Policy for Developing Economies	PSEPTC 401
Business Environment	PSEPTC 402
The Economics of Innovation, Intellectual Property & Growth	PSEPTC 403
Economics of Social Sector	PSEPTC 404

*Syllabus for the examination to be held in May 2016, 2017 and 2018

Students shall have to opt for 18 courses in all: 16 courses as listed above and two courses from other Departments of 4 credits each, in the 3rd and 4th semesters respectively.

Pattern of Examination & Notes for Paper Setters

All the courses listed above carry 4 credits each and will be of 100 marks and will have a common pattern of examination.

For every course listed above, there shall be two minor tests, Minor I and Minor II of 20 marks each covering Unit I and Unit II respectively of the concerned paper.

Each Minor Test will be of one and a half hours duration and shall have two parts: Section A comprising of atleast 5 multiple choice questions of 5 marks in all and Section B comprising of three short answer questions of which the candidate will have to answer two (7.5 x 2).

The Minor Tests will be followed by a Major test which will be of 60 marks and will be of three hours duration having three sections: Section A comprising of 10 multiple choice questions of 10 marks in all (10 x 1) from Units III and IV of the concerned paper. Section B shall comprise of two short answer questions from each of the four units and the student will have to answer one question from each unit (5 x 4). Section C shall comprise of two long answer questions from Units III and IV and the student will have to answer one question from each unit (15 x 2).

DETAILED SYLLABUS

SEMESTER I

TITLE : MICROECONOMICS FOR PUBLIC POLICY

COURSE CODE- PSEPTC 101

Preamble : *This course has been specially designed so as to train students of Public Policy to analyse the manner in which consumer and firms take decisions given their constraints, the manner in which industries are organized and the strategies they use to price their products and services. In addition the problem of economic externalities are discussed and the various tools that the policy makers have to deal with such contingencies are also covered.*

Microeconomics

Unit I

The nature of Economics, The Boundaries of Economics, Economic issues; Factors of production; Resource allocation; Opportunity cost; Production Possibility Curve; Basic Economic questions; choice and scarcity; Economic Models; Alternative expressions of Economic Model.

Theory of Consumer Behaviour; Laws of Cardinal Utility Analysis; Laws of Diminishing and Equi-marginal Utility; Indifference Curve Analysis; Consumer's Equilibrium and properties of Indifference Curves; Slutsky Substitution Effect; Hicks-Allen Substitution Effect; Income Compensated Demand Curve; Elasticity of Demand; Revealed Preference theory, Critical evaluation.

Unit II

Production function: Short period and Long Period, Law of variable proportions and returns to scale, Isoquants: Producer's Equilibrium; least cost Combination of Inputs; Maximization of Outputs; Production function of Multi Product firm. The Production possibility curve of the firm. The ISO – revenue curve of the multi product firm; Equilibrium of the Multi product firm; Technical Progress and production function; Elasticity of Technical Substitution between factors.

The Traditional Theory of cost: Short Run Costs; Long Run Costs (the Envelope Curve), Internal and External Economies and diseconomies of scale. Modern Theory of costs (the L-shaped Long Run Average costs curve).

Unit III

Theory of pricing – Perfect competition and efficiency; Monopoly; Price discrimination; Monopolistic competition; Oligopoly (classical and collusive oligopoly); Average Cost Pricing. Examples : Studies related to the pricing of agricultural produce, industrial produce, public utilities (water, electricity, transport facilities) etc.

Unit IV

Public goods, externalities and welfare analysis Pareto optimality conditions, the compensation principle and benefit-cost analysis; Introduction to public goods; Provision of public good; Externalities; positive and negative; solutions to problems of externalities. Examples: Studies related to the provision of infrastructure ; subsidies for merit goods such as education, health (positive externalities) and alternative mechanisms to control pollution problems (negative externalities).

Readings :

- Hal R. Varian, Intermediate Microeconomics : A Modern Approach, 6th Edition, 2003, Affiliated East-West Press.
- Pindyck, R.S. and B.L. Rubinfeld, Microeconomics, 5th Edition, 2001.

TITLE: MACRO ECONOMIC THEORY AND POLICY

COURSE CODE- PSEPTC 102

PREAMBLE: *Macroeconomics or aggregative economics analysis and establishes the functional relationship between the large economic aggregates. The analysis has assumed such a great significance in recent times that a prior understanding of macroeconomic theoretical structure is considered essential for the proper comprehension of different issued and policies.*

Unit - I : National Income Accounts

Circular - Flow of income in two, three and four - sector economy; different forms of national income accounting - social accounting, flow of funds accounting and balance of

payments accounting; Neo Classical Theory of Distribution of National Income and Classical Model of Determination of Equilibrium in goods Market and Money Market, preparation of National Income Accounts; Income and Product Aggregates and Social Welfare; Tobin's measure of Economic Welfare; Physical Quality of Life Index and Welfare; Importance of National Income data; International and inter-temporal comparisons

Unit - II: The IS-LM Model

Interaction of real and financial sectors of an economy; IS LM Model-Keynesian version ; neoclassical version of the IS LM Model; comparative static analysis with the IS LM Model; IS LM Model with government sector; Fiscal and monetary policy; comparative static analysis-the combined IS-LM model, Interaction of Fiscal and Monetary Policies Crowding out and Crowding in effects. The Algebra of IS LM model.

Unit - III: Open Economy and Macro Economics

Exchange rates and International Monetary System-the current account and capital account; Exchange rates and the market for foreign exchange-demand and supply in the foreign exchange market, exchange rate determination- flexible exchange rates and fixed exchange rates; the current exchange rate system-current exchange rate arrangements , breakdown of the Bretton wood system, advantages of alternative exchange rate system; experiences with Floating Exchange Rates-the dollar decline, rising dollar , dollar's slide and afterward.

The Mundel–Fleming Model; Imperfect capital Mobility; Perfect Capital Mobility. Monetary approach to balance of payments.

Unit-IV Monetary Policy and Fiscal Stabilization Policy

Competing strategies for monetary policy-Targeting Monetary Aggregates or Interest rates; Implications of Targeting Monetary Aggregates; Implications of Targeting Interest rates; Money Supply versus Interest rate targets; Fiscal Stabilization Policy: Goals of Macroeconomic Policy makers; concept of Automatic Fiscal Stabilizers; Fiscal Policy Controversies.

Basic Reading List :

- Ackley, G. (1978), Macroeconomics : Theory and Policy, Macmillan, New York.
- Abel. Andrew and Bernanke, Ben .S (2006), Macroeconomics, Addison –Wesley Series in Economics
- Blackhouse, R. and A. Salansi (Eds.) (2000), Macroeconomics and the Real World (2 Vols.), Oxford University Press London.
- Branson, W.A. (1989), Macroeconomic Theory and Policy, (3rd Edition), Harper and Row, New York.

- Dornbusch, R. and F. Stanley (1997), Macroeconomics, McGraw Hill, Inc. New York.
- Hall, R.E. and J.B. Taylor (1986), Macroeconomics, W.W, Norton, New York.
- Heijdra, B.J. and V.P. Fredriek (2001), Foundations of Modern Macroeconomics, Oxford University Press, New Delhi.
- Jha, R. (1991), Contemporary Macroeconomics Theory and Policy, Wiley Eastern Ltd., New Delhi.
- Romer, D.L. (1996), Advanced Macroeconomics, McGraw Hill Company Ltd., New York.
- Foryen, Richard T. Macroeconomics - Theories and Policies, Pearson Education inc., New York.
- Scafe B.L. (1977), Cycles, Growth and Inflation; McGraw Hill, New York.
- Samuelson, Paul A and Nordhaus, William D (2010), Economics, Tata Mc Graw Hill(Reprint)
- Shapiro, E. (1996), Macroeconomic Analysis, Galgotia Publications, New Delhi.
- Surrey, M.J.C. (Ed.) (1976), Macroeconomic Themes, Oxford University Press, Oxford.

TITLE : OPTIMIZATION TECHNIQUES AND DECISION THEORY

COURSE CODE- PSEPTC 103

Preamble : *This course aims to train students of Public Policy techniques that are used in economic models to stimulate the optimizing behavior of the consumer/household or producer/firm. It also aims to instruct the student in the various ways in which strategic interaction between a small number of actors may be analysed, explained or predicted. In addition the aim of this course is also to train the student into qualitative assessments of problems and prospects of economic agents, organizations as well as processes.*

Unit I

Matrix Algebra- concepts of inverse, determinant, use of matrices to solve simultaneous equations, Cramer's Rule.

Static Optimization –

Unconstrained Optimization in one and many variables.

Constrained Optimization – Use of the Lagrangian, The Kuhn-Tucker Method,

Unit II

First and Second order differential equations, simultaneous differential equations. Introduction to dynamic optimization – The Maximum principle, The constrained control problem, Endpoint constraints and transversality conditions, Infinite horizon problems, Economic Applications, Ramsey's model,

Unit III

Static Games with Complete Information, Concepts of Dominant Strategies, Nash Equilibrium, Mixed Strategies, Dynamic Games of Complete Information, Concept of Subgames, Subgame perfect Nash Equilibrium – The Chainstore Paradox, Applications of Game Theory in Oligopoly Theory-Entry Deterrence, Bank Runs

Unit IV

Institution Analysis and Development Framework – Framework, methodology, case study; Scenarios Analysis – Principle, application, case study; Transaction cost (for policy implementation) – Typology; application; analysis; case studies; Cost – benefit analysis (for policy evaluation) – Externalities; Techniques; application; case studies.

References :

- Optimal Control Theory and Static Optimization in Economics, CUP, Daniel Leonard and Ngo van Long
- Mathematical Theory of Economic Behavior, Addison Wesley, Josef Hadar
- Elements of Dynamic Optimization, Tata McGraw Hill, Alpha C. Chiang
- Fundamental Methods of Mathematical Economics, McGraw Hill, Alpha C. Chiang
- Primer in Game Theory, Robert Gibbons
- Microeconomic Theory, Richard Layard and A.A. Walters
- Growth and Development, Palgrave, Thirlwall, A.P.
- Swatting SWOT Strategy Development and implementation, Strategic Planning Society, Haberberg, A. (2000)
- ‘The Institutional Analysis and Development Framework : Application to Irrigation Policy in Nepal.’ By Lam WF, Lee M and Ostrom E In DW Brinkerhoff (ed.), Policy Studies and developing Nations : An Institutional and Implementation Focus (pp.53-85)

TITLE : PUBLIC ECONOMICS

COURSE CODE- PSEPTC 104

Preamble : *The purpose of this course is to introduce the students specializing in Public Policy to the problems associated with the planning and policy formulation. The thrust of the course will be more on application rather than theoretical solutions. (More so because as I have been told it is going to be taught in first semester with Micro & Macro).*

Unit I

The economic Basis of Government Activity and Evaluation of Public Economic Policies. Efficiency, markets and governments : Markets, Prices and Efficiency conditions ; Market failure; A preview of the basis for Government Activity and the functions of the government, equity versus efficiency – Positive and normative analysis : Externalities and Government policy; Market failure, Externalities and efficiency, Public Policies to Internalize the Externalities; Global Pollution : Externalities that cross Borders. Public Economic Policies : Allocation, Distribution and Stabilization, Conflicts among the Public Economic Policies.

Unit II

Theories of Public Goods, Public Expenditures and Taxation

The theory of Public Goods : Provision of Private Goods and Public Goods : Markets and Government, The Demand for a pure Public good, Efficient output of a pure public good, Individual Action, Voluntary Cooperation and Efficiency, Local Public Goods, Voting Models of Public Goods. The Theory of Public Expenditure: Pure Theories of Public Expenditures; Tiebout, Samuelson and Buchanan's Contributions. Theories of Taxation, Direct versus Indirect Taxes and Equity, The impact of taxes on Market prices and Efficiency.

Unit III

Fiscal Policies and Income Redistribution

Theory of Fiscal Policy : Fiscal Policy with Special Reference to Under-developed Countries, Federal-Fiscal Relation in India, Income Redistribution : Taxes, Government Expenditures and the distribution of Income, welfare, social security and the social safety Net. Demographic Changes and the future of Social Security. The Impact of Social Security on Savings and Work incentives, Government subsidies and Income support : The basis and Trade-off.

Unit IV

Evaluation of Public Investment Projects and Decision Making in the Public Sector

Project Evaluation : Cost-Benefit analysis, Measuring Costs, Measuring Benefits, Market Price, Choosing a Discount Rate. Distributional and Political Considerations; Problem of Government Failure: Privatization, Devolution, rules versus discretion. Citizens and Rational Ignorance, Collective versus Individual Consumption, Lack of Revealed Preference, Measuring and Valuing Output.

Basic Reading List

- Bowers, P.F. (1974) : Private Choice and Public Welfare, Dryden Press, NY.
- Buiter, W.H. (1990) : Principles of Budget and Fiscal Policy, MIT Press
- Davit, N. and Nicholas, S. (eds.) (1987) : The Theory of Taxation for Developing Countries OUP.
- Hyman, D. N. (2007) : Public Finance : A contemporary Application of Theory to Policy, Thomson Asia, Singapore.
- Jha, Raghendra (1987) : Modern Theory of Public Finance,, Wiley Eastern, Delhi
- Maxdowell, A., Anderson and J. Richard (1973) : Financing State and Local Governments.
- Musgrave, Richard A. (1959) : The Theory of Public Finance, Tata Mcgraw Hill, N.Y
- Hindriks, J and Myles, G. D. (2006) : Intermediate Public Economics, MIT Press, Cambridge, USA
- Prest, A.R. (1975) : Public Finance in Theory and Practice, Weidenfeld and Nicholson, London.
- Ursula, H. (1968) : Public Finance, James Nisbet and Co., London

Additional Reading List

- Davie. B.F. and B.F. Duncombe (1970) : Public Finance, Hold, Rineha and Winstreet, N.Y.
- Duff.L. (1977) : Government and Market, Orient Longman, New Delhi
- Flatters. F. V. Henderson and P. Mieskowski (1974) : Public Goods Efficiency and Fiscal Equilization Journal of Public Economic, Vol.3 pp. 99-112

- Friedman M.A (1986) : Welfare Economics and Social Choice Nijhoff.Boston
- Hughton. R.C. (ed.) (1975) : Public Finance, Penguin Publication
- Mishan E.J. (1987) : Cost-Benefit Analysis : An Informal Introduction, George, Allen and Unwin, London.
- Spulber. N (1998) : Reading the state, CUP, Cambridge
- Srivastava D. K (ed) (2000) : Fiscal Federalism in India, Har-Anand Publications Ltd., ND.
- Stiglitz. J.E.(1986) : Economic of Public Sector, Norton, N.Y.

SEMESTER ----- II

TITLE : PUBLIC POLICY ANALYSIS AND URBAN POLICY

COURSE CODE- PSEPTC 201

Preamble : *The paper is divided in two parts. The aim of first part of this paper is to introduce students to theory of public policy and how they are formulated. The second part deals with the public policy pertaining to urban settlement.*

Unit I

The Political Economy Approach to Public Policy Analysis: Eg Political Economy Approach- Eg Major League Sports , Democracy and Governance. Democratic Governance and Public Policy Democratic Theory: Hobbes, Locke, Rousseau, and Rawls

Delimiting the Public What Is Government? Democratic Governance

Forms of Democracy and Implications for Public Policy Direct Democracy Arrow's Possibility Theorem The Role of Institutions Representative Democracy Principals and Agents Prominent Minorities, Collective Action and Democratic Governance

Unit II

The Problem of Collective Action, Individual Foundations of Collective Action, The Logic of Collective Action , Generic Solutions to Collective Action Problems, Institutions for Solving Collective Action Problems

Government and Collective Action, Problems and Test Cases, Do Alternatives Exist?

Unit III

Why Cities Exist, Historical Perspective, Scale Economies, Agglomeration Economies , Transport Costs and Firm Location, The Interaction of Scale Economies and Transportation Costs in the Formation of Cities, Retail Agglomeration and the Economics of Shopping Centers, Analyzing Urban Spatial Structure, Commuting Cost, Consumer Analysis, Analysis of Housing Production, Population Density, Intercity linkages, Modifications of the Urban Model, A City with Two Income Groups, Commuting by Freeway, Durable Housing Capital, Cities in Developing Countries, Urban Sprawl and Land-Use Controls, Empirical Evidence on the Spatial Sizes of Cities, Market Failures and Urban Sprawl, Behavioral Impacts of

Urban Sprawl, Using Land-Use Controls to Attack Urban Sprawl, Other Types of Land-Use Controls, Road Congestion, Congestion Costs, Traffic Allocations: Equilibrium and Social Optimum , Application to Airport and Rail Congestion

Unit IV

Housing Demand and Tenure Choice, Housing Demand: The Traditional and Hedonic Approaches, The User Costs of Housing, Tenure Choice, Down-Payment Requirements, Property Abuse and Tenure Choice, Housing Policies, Rent Control, Housing-Subsidy Programs, Homelessness and Policies to Correct It

Pollution, Introduction, Pollution from a Single Factory and Governmental Remedies, Sewage system and garbage, Bargaining as a Path to the Social Optimum: The Coase Theorem, Cap-and-Trade Systems, Evidence on Air Pollution and Property Values, Crime, The Economic Theory of Crime, Additional Aspects of the Theory, How to Divide a Police Force Between Rich and Poor, Neighborhoods, Urban Quality-of-Life Measurement, Theory, Measuring Urban Quality of Life

Textbooks:

- Bickers, Kenneth N. and John T. Williams, "Public Policy Analysis: A Political Economy Approach" Edition 1, Cengage
- Dunn, William, "Public Policy Analysis- An Introduction" Edition 4, Pearson
- Vaidyanatha Ayyar, RV, "Public Policymaking in India", New Delhi, Pearson Longman, 2009
- , Brueckner, J. K., Lectures On Urban Economics, MIT Press, 2011
- Arnott, R.J. and Daniel P. McMillen (ed), A Companion to Urban Economics, Wiley, 2007

TITLE : ECONOMICS OF INFRASTRUCTURE AND PUBLIC POLICY

COURSE CODE- PSEPTC 202

Preamble: *The course with its focus on energy and transport, the key components of infrastructure, aims at providing the student the wider and deeper theoretical input required to analyze and understand the important issues and challenges concerning the development of infrastructure and its proper usage. Specifically, the main emphasis of the course is on such issues as energy conservation, energy pricing and demand management, and energy forecasting. The transport economics component of the course highlights such themes as externalities in the transport sector and their valuation and approaches to contain them, polluter-pays' principle, protecting the sufferers, optimizing traffic congestion, transport infrastructure user charges which are relevant given the ground realities. Students after completing this course are expected to be in position to devise policy interventions to address these issues and challenges.*

Unit-I
Energy Economics-I

Components of Infrastructure: Social and Economic Infrastructure, Infrastructure as a Public Good. Energy Economics: Scope and Importance, Factors Determining the Demand for Energy, Effects of Energy Shortage, Economics of Energy Conservation, Effects of Market Imperfections on Energy Conservation, Energy Service Companies (ESCOs) and their growth in India, Energy Saving Models: Guaranteed Saving Model and Shared Saving Model, Energy Modelling: Energy Input- Output Analysis, Energy Reforms in India: Electricity Act 2003.

Unit-II
Energy Economics-II

Energy Sources: 'New' Renewable and Non-Conventional, Importance and Substitution Possibilities, Energy Markets, Planning and Role of Demand Management : Objectives and Need for Energy Planning & Demand Management, Integrated Framework for Energy Pricing: Objectives, Basic Pricing Principles, Short- Run V/S Long-Run- Marginal - Cost Pricing, Peak- Load and Seasonal Pricing, inter fuel substitution at generation and at end use, Concept of Shadow Pricing, Pricing of Depletable Energy Resources, Energy Demand Analysis and Forecasting: Importance and Methods.

Unit-III
Transport Economics-I

Scope of the subject, economic characteristics of transport, transport and economic development. Factors Influencing Demand for Transport. transport of freight and passenger, types of transport: rail, road, airways and waterways. Structure of Transport costs: Fixed and Variable Costs, concepts of shared and avoidable costs, method of recovering capital cost in transport business, transport and industrial location: Weber's theory of industrial location, External Costs of Transport: Environmental Externalities and their valuation, Traffic Congestion and its Economic Cost, Optimizing Traffic Congestion: Transport infrastructure user charges, Containing Environmental Costs of Transport: The Basic Approaches, The 'Polluter-Pay' principle, Protecting the Sufferers. Optimising Traffic congestion and transport infrastructure User Charges.

Unit-IV

Transport Economics-II

Pricing of Transport Services: Alternative Pricing Strategies for Transport Services, Price Differentiation and Price Discrimination, Pricing with Stochastic Demand, Transport and Economic Development, Transport Infrastructure Investment and Economic Productivity, The Multiplier Impacts of Transport Investments: The Concepts of Primary, Secondary Tertiary and Perpetual Multipliers, Transport Planning and Forecasting: The Development of Transport Planning, The Theory of Transport Planning, Economic Regulation of Transport: Theories of Regulation, Regulation of Monopoly Power, other infrastructures that affect transport planning: planning for roads, railway lines, ship ports and airports. Topography and transport planning.

Reading List:

- Mohan Munasinghe & Gunter Schramm (1983), Energy Economics, Demand Management and Conservation Policies, Van Nostrand Reinhold Company, New York.
- Mohan Munasinghe and Peter Meir (2009), Energy Policy Analysis and Modeling, Cambridge Energy and Environment Series.
- Parikh Jyoti (1997) Energy Models for 2000 and Beyond, Tata McGraw Hill
- Kenneth Button (2010), Transport Economics, 3rd Edn. Edward Elgar, Cheltenham, UK.

- H. S. Norton, Modern Transport Economics.
- Hensher David & Ann M. Brewer (2001) Transport: An Economics and Management Perspective, OUP, New York.
- Quinet Emile & Roger Vickerman (2004), Principles of Transport Economics, Edward Elgar.
- Chopra S.K, Energy Policy for India: Towards Sustainable Energy Security in the 21st Century, Oxford& IBH Publishers.
- World Bank (2000) Greening Industry, OUP, ISBN10: 0195211278.
- Guido Buenstorf (2004) The Economics of Energy and the Production Processes: An Evolutionary Approach, Edward Elgar Publication, ISBN10: 184376461X Hardback.

TITLE : POVERTY, FOOD SECURITY AND HUMAN DEVELOPMENT

COURSE CODE- PSEPTC 203

Preamble : *The aim is to familiarize students with theories and findings concerning poverty, food security and human development as the solutions to poverty, food security and human development need to be sought in trans-disciplinary perspectives.*

Unit I : Population and Natural Resources

Population Growth and Constraints of Natural Resources, Breaking the Natural Resource Constraint and Poverty and Environmental Problem.

Unit II : Poverty and Food Security

Conception of Poverty and Development, understanding famine and hunger, unemployment and livelihood, problems of over population, environmental degradation and sustainability, sustainable globalization, good governance, gender and development, technology, poverty and development; Economic Reforms and Poverty Alleviation, Food Security at Individual and National level, Assessment of Indian Economic Policy Reforms and Poverty.

Unit III : Poverty and Human Development

Rationale for inclusive growth, dimensions and Determinants of Income, Poverty and Inequality, Right to Food, Social safety nets for the Poor, Employment : Trends, Issues and Policies, Social Security for the unorganized workers, The concept of Human Security:

Human Development and Millennium Development Goals, other human needs viz. clean drinking water, defecation, energy, food, housing, education and health.

Unit IV Community and Participation

Community and Economic Development; Participating Development; Justification, Principles and implementations, Modes and Means of Participation, Building Capacity, Organization and Institution: Definition, institution building as process, Social mobilization, Process versus blue print planning for local institution building, creating synergies between planning and institution building.

Select Readings for Unit I

Compulsory Readings

- Yujiro Hayami and Yoshihisa Godo, 2004, Development Economics : from the poverty to wealth of nations, Oxford University Press
- Tim Allen and Alan Thomas (edited). 2000. Poverty and Development in the 21st Century, Oxford University Press.

Supplementary Readings :

- Atkinson, A.B., B. Cantillon, E. Marlier and B. Nolan (2002), “Social Indicators : The EU and Social Inclusion”, Oxford: Oxford University Press.
- Bohi, D. and M. Toman (1996), The Economics of Energy Security, Kluwer Academic Publishers, Massachussets.
- Bohm, P. and C. Russell (1985), “Comparative Analysis of Alternative Policy Instruments”, in A. Knees and J. Sweeney (eds.), Handbook of Natural Resource and Energy Economics, Vol.I, North Holland, Amsterdam.
- Broome, J. (2004), “Weighing Lives’, Oxford : Oxford University Press.
- Dasgupta, P. (2001), “Human Well-Being and the Natural Environment”, Oxford : Oxford University Press.
- Hepburn, C. (2006) , Discounting climate change damages’, Overview for the Stern Review, St Hugh’s College, Oxford.
- Jaffe, A. R. Newell and R. Stavins (2003), “Technological Change and the Environment”, in K-G

- Maler and J.Vincent (eds.), Handbook of Environmental Economics, Vol. I, North Holland, Amsterdam.
- N. Nakicenovic and W. Nordhus (eds), Technological Change and the Environment, Resources for the Future Press, Washington D.C.
- Sen. A (1999), 'Development as Freedom', Anchor Books, London

Select Readings for Unit II

Compulsory Readings

- Isher Judge Ahluwalia and IMD Little (edited), 2000, India's Economic Reforms and Development, Oxford University Press
- Iim Allen and Alan Thomas (edited), 2000, Poverty and Development in the 21st Century, Oxford University Press

Supplementary Readings

- *Adger. W.N., Paavola, J., Mace, M.J., Huq, S..eds..(2006), Fairness in adaptation to climate change, Cambridge, MA: MIT Press.*
- *Adger, W.n., Winkles.A..(2006). Vulnerability poverty and sustaining well-being. In: Átkinson.*
- *G., Dietz, S., Neumayer E., eds., Handbook of Sustainable Development. Elgar, Chotienham.*
- *Baechler, G., (1999), Environmental degradation and violent conflict hypothesis , research agendas and theory building in Suliman, M., Ed., Ecology. Politics and violent conflict: Zed Books, London and New york, pp. 76-112.*
- *Barnett,2001,The Meaning of Environment Security Ecological Politics and Policy in the New Security Era, Zed Books , London and New York.*
- *World Bank (2000,2001), World Development Report 2001, 2002, Washington. D.C.*

Select Readings for Unit III

Compulsory Readings

- S. Mahendra Dev. 2008, Inclusive Growth in India : Agriculture, Poverty and Human Development, Oxford University Press.

Supplementary Readings

- Adger, W. N., J. Paavola, S. Huq and M.J. Mace (2006), *Fairness in Adaptation to Climate Change*, Cambridge : MIT Press
- Agarwal, B. (2002), “Participatory Exclusions, Community Forestry, and Gender : An Analysis for South Asia and a Conceptual Framework”, *World Development*, 29 (10) : 1623 – 1648.
- Beck, Ulrich (1992), *Risk Society : Towards a New Modernity*, London : Sage Publications
- Boulding, Kenneth E. (1978), *Stable Peace*, University of Texas Press : Austin.
- Bulkeley, Harriet and Michele M. Betsill (2003), *Cities and Climate Change : Urban Sustainability and Global Environmental Governance*, London : Routledge.
- Carius, Alexander and Kurt M. Lietzmann (eds.) (1999), *Environmental change and security : European Perspective*, Berlin, Heidelberg : Springer.
- World Commission on Environment and Development (1987), *Our Common Future*, Oxford, New York : Oxford University Press.
- UNDP (2007), *Human Development Report 2007 / 2008, Fighting climate change : Human solidarity in a divided world*, USA : UNDP.
- UNFCCC (1999), *Compendium of Decision Tools to Evaluate Strategies for and Adaptation to Climate change*, Bonn : UNFCCC.
- World Bank (2009), *Gender and Agriculture Sourcebook*, Washington : World Bank

Select Readings for Unit IV

Compulsory Readings

- Reidar Dale, *Development Planning*, 2006, Zed Books and Academic Foundation.
- Yujiro Hayami and Yoshihisa Godo, 2004, *Development Economics : from the poverty to wealth of nations*, Oxford University Press.

Supplementary Readings

- Action Aid International (2005), *Participatory vulnerability analysis : a step-by-step guide for field staff*. Action Aid International.

- Adnan, S., A. Barren, S.M. Nurul Alam and A. Brustinow (1992), People's participation NGOs and the flood action plan. Research and Advisory Services : Dhaka, Bangladesh.
- Chambers, R., N. Kenton and H. Ashley (2004), Participatory learning and Action Critical reflections, future directions, IIED : London.
- Christian Aid (2009), "Module II : Developing a climate change analysis, : Christian Aid Adaptation Toolkit : Integrating adaptation to climate change into secure livelihoods, Christian Aid : UK
- Intergovernmental Panel on Climate Change (IPCC) (2007), Fourth Assessment Report, United Nations.
- Jaeger, CC, B. Kasemir, S. Stoll-Kleemann, D. Schibli, and U. Dahinden (2000), "Climate change and the voice of the public", Integrated Assessment, I 339 -349.
- Jennings, S. and J. McGrath (2009), What Happened to the Seasons ? Oxfam GB Research Report : UK
- Pretty, J., I. Guijt, J. Thompson, and I. Scoones (1995), Participatory Learning and Action : a trainer's guide, IIED Participatory Methodology Series, IIED : London.
- McCarthy, James J. (2001), Climate Change 2001 : Impacts, Adaptation, and Vulnerability, Cambridge, UK : Cambridge University Press.
- Mitchell, Tom et. Al. (2007), "We know what we need : South Asian Women Speak out on Climate Change Adaptation", Institute of Development Studies, November.
- Rambaldi, G., R. Chambers, M. McCall and J. Fox (2006), "Practical ethics for PGIS practitioners, facilitators, Technology Intermediaries and researchers", In Participatory Learning and Action : Mapping for Change : Practice, technologies and communications. IIED London and CTA : Wageningen.
- UNEP (2002), Global Environment outlook – 3 : past, present and future perspectives, Earthscan : London.

TITLE : RESEARCH METHODOLOGY

COURSE CODE- PSEPTC 204

OBJECTIVE: The course is designed to acquaint the students with research methodology. Knowledge of Research methodology in economics means using the scientific method to investigate and analyze various economic phenomena. The subject as such shall provide an opportunity to take a focused view on the methodological possibilities and limitations they face while conducting research in economics.

UNIT-I: Basic Statistics and Econometrics

Measures of Central Tendency and Dispersion, Meaning, assumptions and limitations of Simple correlations and regression analysis; Pearson's Product Moment Formula and Spearman's Rank Correlations. Simple & Multiple Linear Regression Model: Assumptions, Procedures and properties of OLS estimator, Co-efficient of determination, Tests of significance, Test of significance of regression co-efficient, R^2 and adjusted R^2

UNIT-II: Fundamentals of Research

Research: Definitions, Meaning, Scope and Objectives of Research, Types of Research – descriptive vs. analytical, applied vs. fundamental, quantitative vs. qualitative, conceptual vs. empirical, significance of research, research process.

UNIT-III: Research Problem and Hypothesis Testing

Research Problem: Nature, Considerations in selecting a problem, necessity of defining the problem, Hypothesis- Nature, basic concepts regarding testing of hypotheses, flow diagram for hypothesis testing. Formulation of statistical Hypotheses - Null and Alternative. Goodness of fit; confidence interval and level of significance, Hypothesis testing based on Z, t, F, and chi-square tests.

UNIT-III: Research Design and Data Collection

Research Design: Meaning, Need and Features of good design, Types of Research Design: Research Design in case of exploratory research studies, Research Design in case of descriptive and

diagnostic research studies, Sampling Design- steps, characteristics of a good sample design and different types of a sample design. Data Collection: Methods of Data Collection – Observation, Interview, Questionnaire, Schedule,

Basic Reading List :

1. Goon, AM, MK Gupta and B. Das Gupta (1983), Fundamental of Statistical Vol. I, The World Press, Calcutta.
2. Hoel, P.er (1954) Introduction to Mathematical Statistics, Wiley and Sons.
3. Hogg R.V. and A.T. Craig (1970), Introduction to Mathematical Statistics, Macmillan Publishing Co., New York..
4. Nagar, A.L. and R.K. Das (1993). Basic Statistics, Oxford University Press, New Delhi.
5. Rao, C.R. (1965), Linear Statistical Inference and Application Wiley and Sons.
6. Sukhatme, P.V. and B.V. Sukhatme (1970). Sampling Theory of Surevy with Applications Iowa State University Press, Ames.
7. Walpole, R. Statistics (1980), Collier Macmillan.
8. Kothari C.R, Research Methodology , Vishwa Prakashan, N.Delhi.
9. Wilkinson & Bhandarkar, Methodology & Techniques of Social Research, Himalaya Publishing House.
10. Research Methodology, Tripathi P.C, Sultan Chand & Co.. N.Delhi.
11. Karlinger, Foundations of Behaviour Research, Surjeet and Company, N.Delhi.
- 12.Koutsoyiannis, A. (1977). Theory of Econometrics (2nd Edn.). The Macmillan Press Ltd. London.

13.Maddala, G.S. (1997). Econometrics, McGraw Hill; New York.

SEMESTER ----- III

TITLE : INTERNATIONAL TRADE THEORY & POLICY
COURSE CODE- PSEPTC 301

Preamble : *This course is intended to impart deeper and wider knowledge of principles and theories which govern the international trade in goods, services and movement of capital between the countries. The course covers almost all the important themes which are essential for a thorough understanding of international microeconomics and open economy macroeconomics.*

Unit I Trade Theory

Significance and scope of International Economics, Economic Basis of International Trade, Contributions of Adam Smith, David Ricardo and J.S Mill to the theory of International Trade. Theory of Opportunity cost, Modern theory of International Trade : Heckscher – Ohlin Model, Factor-Price-Equalization Theorem, Rybczynski Theorem, Stolper-Samuelson Theorem, International Trade in Specific Factors Model, Imperfect Competition and International Trade : Concept of Intra-Industry Trade, its Basis and Measurement.

Unit II Gains from International Trade and Trade Policy :

Concepts of Terms of Trade, their uses and limitations. Hypotheses of Secular Deterioration in Terms of Trade, Trade as Engine of Economic Growth, Reasons for Deterioration in Commodity Terms of Trade, Concept of Immiserizing Growth, Theory of Interventions : Tariffs Quotas and Non-Tariff Barriers to International Trade; Economic Effects of Tariffs and Quotas (Partial and General Equilibrium Analysis); Theory of Optimum Tariff and Concepts of Nominal and Effective Tariff, Trade Policy in Developing Countries, Controversies in Trade Policy;

Unit III Foreign Exchange Markets and Exchange Rates

Functions of Foreign Exchange Markets; Exchange Rate Determination, Purchasing Power Parity Theory – Absolute and Relative; Monetary Approach to the BOP and Exchange Rates – Under Fixed and Flexible Exchange Rates; Monetary Approach to Exchange Rate Determination. Asset Market Model and Exchange Rates, Portfolio Adjustment and Exchange Rates, Exchange Rate Overshooting.

Unit IV Balance of Payments : Components and Adjustment Policy :

Meaning and Components of Balance of Payments, Equilibrium and Disequilibrium in the Balance of Payments (BOP), Process of adjustment under fixed and Flexible Exchange Rate Regimes, Expenditure Changing and Expenditure Switching Policies for Balance of Payments Adjustment, Policies for achieving Internal and External Equilibrium

simultaneously; Mundell – Flemming Model; Monetary Approach to the Theory of Balance of Payments (BOP) adjustment.

Basic Reading List :

- Dominick Salvatore (2007), International Economics, John Wiley & Sons, Inc.
- Paul R. Krugman & Maurice Obstfeld (2007) International Economics :Theory & Policy, Dorling Kindersley Pvt. Ltd.
- H. Mannur, International Economics
- Dunn Robert M. & John H. Mutti (2004), International Economics, Routledge Taylor & Francis Group.
- Carbaugh R.J. (1999) International Economics, International Thompson Publishing New York.
- Dana M.S. (2000) International Economics : Study Guide & Workbook, Routledge Publishers London.
- Bhagwati, J. (1988) Protectionism, Cambridge University Press, Massachusetts.
- Sodersten Bo (1991) International Economics, The Macmillan Press Ltd. London.
- Bhagwati, J. (Ed.) (1981) International Trade : Selected Readings, Cambridge University Pres Massachusetts.

Title : INDUSTRIAL ECONOMICS AND PUBLIC POLICY COURSE CODE- PSEPTC 302

Preamble:*In the 21st Century of Global Era, all round economic development is imperative which is impossible without a sound and sustainable Industrial Development. In this backdrop the present course is designed to make students aware of the industrial policy and its implication for the Public and corporate sector of the country.*

UNIT-1: Theories of Industrial Economics:

The Scope of Industrial Economics and its History, Concepts and Measurement, the Organisational form, the Elements of Market Structure and Conduct, The Cost Theory and Optimal Size of Firm, Market Concentration, Diversification, vertical integration. The Analysis of Financial Ratios, Advertising Strategy, Pricing Decisions, Government Regulation of Industry.

UNIT-2: Pre-Reform Industrial policy:

Industrial policy of India since independence and changes in it till 1990. Industrial licensing policy of India, Foreign Exchange and Regulation Act (FERA), Government measures to combat the Growth of Monopolies the MRTP Act., Competition Act in replacement of MRTP Act. The Competition Commission of India and its role.

UNIT-3 Post-Reform Industrial policy:

New Industrial policy of 1991, Policy initiatives and Measures Undertaken for Micro and Small Enterprises during 2006-07 and MSME Act 2006. Small Scale Industries and Entrepreneurship. Role of public sector and major Problems of the Public Sector Enterprises sector in the India. Role of Private Sector and Problems of Private Sector in India. The new manufacturing policy and its objectives.

UNIT-4 Strategies to Address Cross-Cutting Issues:

Technology, Human Resource Development, Business Regulatory Framework, Ensuring environmental sustainability with industrial growth: water issues, land issues, clustering and aggregation, promoting MSME's, Boosting manufacturing exports, reforming the role and management of PSEs, National Investment and Manufacturing Zones.

Basic Reading Lists:

- Ahluwalia I.J. (1985), Industrial Growth in India, Oxford University Press, New Delhi.
- Barthwal, R.R. (1985) Industrial Economics, Wiley Eastern.
- Cherunilam, F. (1994) Industrial Economics: Indian Perspective (3rd Edition), Himalaya Publishing House, Mumbai.
- Desai, B. (1999), Industrial Economy in India (3rd Edition) Himalaya Publishing House, Mumbai.
- Kuchhal, S.C. (1980), Industrial Economy of India (5th Edition) Chaitanya Publishing House, Allahabad.
- Singh, A. and A.N. Sadhu (1988), Industrial Economics, Himalaya Publishing House, Bombay.
- S.S.M. Desai and Nirmal Bhalerao (2002) Industrial Economy of India, Himalaya Publishing House, Delhi.
- Francis Cherunilam, Industrial Economics.

- K.P.M. Sundhram, Indian Economy.
- Uma Kapilla, Indian Economy.
- Matrian Nuissian, Industrial Economics.
- Indian Development Reports(2000-2012).
- Indian Industrial Survey 2001-2012.
- P.G. Gadgil&Gadgil, Industrial Economics of India.
- Planning Commission Government of India, Policy Papers- 2011,2012.
- The World competitiveness Yearbooks-2010, 2011, 2012.

TITLE : SUSTAINABLE DEVELOPMENT AND POLICY

COURSE CODE- PSEPTC 303

Preamble: *This course is designed and developed to provide students with an understanding and experience of the wide ranging contextual, conceptual and thematic issues involved in the planning management and practice of sustainable development.*

UNIT- I: Theory, Practice and Policy of Sustainable Development

Concept and indicators of sustainable development; Environment and Development, Disentangling climate and development, Future for the Kyoto Protocol, Environmentally sustainable industrial development, Sustainable development and inter-general and international cooperation.

UNIT – II: Environmental Valuation and Externalities

Environmental Economics; Concepts; Environment and emerging development issues; Market failure, environmental externalities and solutions; Environmental valuations; Hedonic property values and household production models (travel cost method and household health production function); Coase bargaining solution and collective action; informal regulation and the new model of pollution control.

UNIT – III: Environmental Problems

Environmental problems in lesser and more developed countries, Development and Environment, Environmental Kuznets curve, International trade and environment in less developed countries, Determinants of pollution abatements in developing countries.

UNIT – IV: Natural Resource Management and Policy in India

Integrated environmental and economic accounting; Measurement of environmentally corrected GDP; Environmental laws and their implementation; policy instruments for controlling water and air pollution; Forestry policy; People's participation in the management of common and forest lands; The institution of Joint forest management and the joint protected area management.

Select readings for unit I

Compulsory Readings

- Ajit Sinha and Siddhartha Mitra (Edited), 2008. Economic Development and Climate Change and Environment, Routledge Press

Supplementary Readings

- A Callinicos, 1999, social theory, A Historical Introduction, Polity Press
- A Greig, D Hume & M Turner, 2007, Challenging Global Inequality, Palgrave macmillan
- A.P Thirlwall, 2005 Growth and Development , 8th ed., Palgrave
- D. Held and A McGrew ,Eds., 2003The Global Transformations Reader: An Introduction to the Globalization Debate, Polity Press (2nd Ed.)
- D. Held and A. McGrew, 2007 Globalization Theory: Approaches and Controversies, Polity Press F. Lechner, and J Boli, 2007, The Globalization Reader, Blackwell (3rd ed.)
- G. M Meier and J.E Rauch, 2005, Leading Issues in Economic Development , 8th ed., Oxford University Press
- H-J. Chang (ed.) 2003, Rethinking Development Economics, Anthem Press
- H.J. Chang, 2007, Bad Samaritans , Rich Nations, Poor Policies & The Threat to the Developing World, Random House Business Books

- H-J Chang and Ilene Grabel, 2004 , Reclaiming Development: An Alternative Economic Policy Manual , Zed Books
- J. Rapley, 2007, Understanding Development: Theory and Practice in the Third World, Lynne Rienner
- J. Timmons Roberts and A Bellone Hite, 2007, The Globalization and Development Reader: Perspectives on Development and Global Change, Blackwell
- M. Davis, 2006, Planet of Slums, Verso
- M Edelman & A Haugerud (eds), 2005, The Anthropology of Development and Globalization Blackwell
- R Kiely, 2007, The New Political Economy of Development, Palgrave Macmillan
- S. Bromley et al., eds., 2004, Making the International, Pluto Press
- S. Bromley et al., eds., 2004 , Ordering the International , Pluto Press

Select Readings for Unit II

Compulsory Readings

- Bhattacharaya, Ravindra 2002, Environmental Economics, Oxford University Press, New Delhi.

Supplementary Readings

- Bournal W.J. and W. E Oates (1988). The Theory of Environmental Policy, Cambridge University Press Cambridge.
- Bromley D.W (Ed) 1995.) Handbook of Environmental Economics, Blackwell London
- Fisher, A.C (1981), Resource and Environmental Economics, Cambridge University Press Cambridge
- Hanley, N, J. F Shogern and B. White (1997), Environmental Economics in Theory and Practice Macmillan , London
- Hussen A.N (1999) , Principles of Environmental Economics, Routledge, London
- Jeroen C. J. M. Van Den Bergh (1999) Handbook of Environmental and Resource Economics, Edward Elgar Publishing Limited, U.K.

- Kolstad C.D (1999) Environmental Economics, Oxford University Press, New Delhi
- Pearce, D.W and R. Turner (1991), Economics of Natural Resource Use and Environment, John Hopkins University Press, Baltimore
- Pennan. R.M. and J. McGilvary (1996) , Natural Resource and Environmental Economics, Longman, London
- Sankar U (ed) (2001), Environmental Economics, Oxford University Press, New Delhi
- Tietenberg, T. (1994), Environmental Economics and Policy Liarper Collins, New York

Select Readings for Unit – III

Compulsory Readings

- G.M. Meier and James E Rauch 2007, Leading issues in Economic Development, Oxford University Press

Supplementary Readings

- ADB (2003) Combating Traffacking of Women and Children in South Asia, Regional Synthesis Paper for Bangladesh, India and Nepal
- Campbell – Lendrum D, Corvalan C, Neira M (2007) , Global Climate change : implications for international Public health policy, WHO 85:235-237
- Holdren, John P., R. Smith (2000) , Energy, the Environment , and Health, In The World Engery Assessment: Energy and the Challenge of Sustainability, ed. Jose Goldemberg, 61-110, Un Development Programme, New York
- SAARC (2005), Poverty Reduction in South Asia through Productive Employment, Regional Poverty Profile 2005, South Asian Association for Regional Cooperation, Kathmandu
- Setboonsarng, S., Parpeiv, Z (2008), Microfinance and the Millennium Development Goals in Pakistan: Impact Assessment using Propensity Score Matching, Discussion Paper No : 104, Asian Development Bank Institute
- SEWA (2007) , Local Poverty Reduction and MDG Localization, Good Practices and Lessons Learned, Self Employed Women’s Association.
- UNCCD (2001), India National Action Plan, UNCCD Report, United Nationas Convention to Combat Desertification, [http: //www.uneed.int/](http://www.uneed.int/)

- UNSECAP(200[^]), Millennium Development Goals in South Asia, United Nations Economic and Social Commission for Asia and the Pacific
- World Bank (2006) world Development Indicators 2006, World Bank
- World Bank (2007) Global Monitoring Report 2007: Confronting the Challenges of Gender Equality and Fragile States, World Bank

Select Readings for Unit – IV

Compulsory Readings

- Bhattacharaya , Ravindra , 2002, Environmental Economics, Oxford University Press, New Delhi

Supplementary Readings

- Boumal , W.J. and W.E Oates (1988). The Theory of Environmental Policy, Cambridge University Press, Cambridge
- Bromely DW (ed.) (1995) Handbook of Environmental Economics, Blackwell , London
- Fisher A.C (1981), Resource and Environmental Economics, Cambridge University Press Cambridge
- Hanley, N., J.F Shogern and B. White (1997) Environmental Economics in Theory and Practice Macmillan , London
- Hussen A.N (1999), Principles of Environmental Economics, Routledge London
- Jeroen , C.J., M. Van Den Bergh (1999) , Handbook of Environmental and Resource Economics Edward Elgar Publishing Limited, U.K
- Kolstad, C.D (1999) , Environmental Economics, Oxford University Press, New Delhi
- Pearce, D.W and R. Turner (1991) , Economics of Natural Resource Use and Environment , John Hopkins University Press, Baltimore
- Pennan, R.M. and J. McGilvary (1996) Natural Resource and Environmental Economics , Longman, London
- Sankar U. (Ed.) (2001). Environmental Economics, Oxford University press, New Delhi

TITLE : FINANCIAL INSTITUTIONS AND MARKETS

COURSE CODE- PSEPTC 304

Preamble: *The positive and significant role of financial institutions in the process of growth and development has been very well recognized in the literature and indeed has become more important during the last two decades as the financial systems of different countries have become integrated in the process of globalization. India is no exception and has taken far reaching measures since 1991 in this direction. It is, therefore, essential that the student of Public Policy should be well conversant with the theory and practice of different financial institutions and markets to understand and analyze the interconnection between the monetary forces and real forces, their developmental role and limitations in shaping and influencing the monetary and related policies both at the national and international levels.*

Unit-1 Nature and Role of Financial System in public Policy

Money and finance – Money and near-money – Financial intermediation and Financial Intermediaries-The structure of the financial system – Functions of the financial sector – Indicators of financial development – Equilibrium in Financial Markets –Financial System and Economic Development – Criteria to evaluate assets: Risk and financial assets, types of risk, return on assets, Risk – Return trade off – Valuation of Securities.

Unit-2 The Central Bank, Commercial Banks, Development Banks and Monetary Policy in Public Policy

Functions of Central Bank – The aims and objectives of the monetary policy in developed and developing countries – Instruments of monetary policy – Proliferation of banking and non-bank financial intermediaries – Effectiveness of monetary policy– Credit creation and its control; Profitability and efficiency of banks; Development banks-role and functions; Financial sector reforms in India.

Unit-3 Financial Markets and Public Policy

Role and structure of money market and capital market – Call money market, Treasury bill market, Commercial bill market including commercial paper and certificate of deposits, Discount market – Government securities market – Markets for derivatives; futures and options, and other derivatives; types, uses and pricing of derivatives –Primary and secondary market for securities; SEBI: its impact on the working of capital market in India.

Unit-4 Non-bank Financial Intermediaries, Microfinance and structure of interest rates

Definition and types of non-bank financial institutions-Small Saving, Provident Fund, Pension Fund-Insurance Companies-Mutual Funds-Miscellaneous Non Bank Financial

Intermediaries; Their growth and impact on India's economic development, Measures taken to control their operations; IRDA

Microfinance – Microfinance and Microcredit – institutions deliver Microfinance – Problems before Microfinance - Government role in supporting Microfinance.

Irving Fisher Theory of Interest Rate. Theories of the Term structure of Interest rates, Interest Rate and Inflation the Indian Experience since independence.

Basic Reading list

- Pathak, B.V. (2010), The Indian Financial System: Markets, Institutions and Services, 3/e, Pearson Education
- Bhole, L.M. (1999), Financial Institutions and Markets, Tata McGraw Hill company Ltd., New Delhi.
- Bhole, L.M. (2000), Indian Financial System, Chugh Publications, Allahabad.
- Edminster, R.O. (1986), Financial Institutions, Markets and Management, McGraw Hill, New York.
- Goldsmith, R.W. (1969), Financial Structure and Development, Yale, London.
- Hanson, J.A. and S. Kathuri (Eds.) (1999), India; A Financial, Sector for the Twenty First Century, Oxford University Press, New Delhi.
- Harker, P.T. and S.A. Zenios (2000) (Ed) Performance of Financial institutions, Cambridge, University Press, Cambridge.
- Johnson, H.J. (1993), Financial Institution and Markets, McGraw Hill, New York.
- Khan, M.Y. (1996), Indian Financial System, Tata McGraw Hill New Delhi.
- Machiraju M.R. (1999), Indian Financial System, Vikas Publishing House, New Delhi.
- Ohison, J.A. (1987), The Theory of Financial Markets and Institutions, North Holland, Amsterdam.
- Prasad, K.N. (2001), Development of India's Financial System, Sarup & sons, New Delhi.
- Robinson, R.I. And D. Wrightman, 1981), Financial Markets, McGraw, Hill, London.
- Smith, P.F. (1978), Money and Financial Intermediation; This Theory and Structure of Financial System, Prentice Hall, Englewood-Cliffs, New Jersey.
- Bishop P and D. Dixon (1992), Foreign Exchange Handbook, McGraw Hill, New York.
- Chandra, P. (1997), Financial Markets, (4th edition), Tata McGraw Hill New Delhi.
- Farrell, J.L. (1997), Portfolio Management, (2nd edition), McGraw Hill New Delhi.

- Machirahu J.R. (1997), International Financial Markets in India, Wheeler Publishing, Allahabad

SEMESTER -----IV

TITLE : ECONOMIC POLICY FOR DEVELOPING ECONOMIES

COURSE CODE- PSEPTC 401

Preamble – Effective participation in the policy development requires the understanding of basic concepts relative to economics of development. *The study of economic development has gained importance because of sustained interest of the developing countries in uplifting their economic conditions by restructuring their economies to acquire greater diversity, efficiency and equity in consonance with their priorities. While few success stories can be counted, many have grappled with chronic problems of narrow economic base, inefficiency and low standard of living. For this and other reasons, there have been many approaches to economic development. In recent times, besides hardcore economic prescriptions to development, concerns hitherto relegated to background like education, health sanitation and infrastructural development, have found a place of pride in explaining the preferences of various economies. Topics incorporated in this paper are devoted to the history of development thinking, recent changes and problems associated with development and the experience of different regions of the developing countries to different policies. The other important issues in the context of development such as , importance of domestic macroeconomic policies and relevance of planning have been included in this course.*

Unit - I: Aspects of development

Growth versus development, History of Development theory, Changes in the recent development theory. Measuring development -- Per capita income, Poverty, Inequality, Human development index and other indices of development and quality of life.

Problem of Perpetuation of underdevelopment: Indian experience. Population problems-- Theory of demographic transition; Population Policy and The Future with special reference to China and India:

Unit - II: The Development Process and Economies in Transition: Socialist to Market

The Process of Economic Development: Emergence of Europe.

Catching up: A Neoclassical view, Role of the state and Japanese Success.

Economic system, Economic Performance of Socialism, Some Analysts in transition- The Russian and Chinese Experience - Explanation of different reform paths and sustainable growth. the South East Asian experience. The emergence of BRICS.

Unit III: Sectoral Aspects and macroeconomic policies

Structure of agrarian systems in developing countries and Transformation of Agriculture Sector: Complementarily between agriculture and industry. Agriculture Pricing policies and marketing deficiencies in developing countries: Economic Policies for development of Industrial sector in developing countries with reference to East Asian Miracle, the growth of service sector: in proportion to GDP, Indian experience, BPOs and KPOs. Terms of Trade between different sectors and the linkages. Technological strategy of development, Monetary and Fiscal Policy in developing countries

Unit IV: Trade, Planning and Development

Gains from Trade, Prebisch- Singer Hypothesis, Trade strategies for development: Export Promotion versus Import substitution with reference to South Korea. FDI and developing countries with reference to India and China, IMF and World Bank Policies in developing countries

Nature of development planning: Rationale and need for development planning- Democratic, decentralized, Indicative and micro level planning: Indian Plan Models and planning

Basic Reading List/ Additional Reading List

- Adelman, I. (1961), Theories of Economic Growth and Development, Stanford University Press, Stanford.
- Behrman, S. And T.N. Srinivasan (1995), Handbook of Development Economics, Vol. 3, Elsevier, Amsterdam.
- Ghatak, S. (1986), An Introduction to Development Economics, Allen and Unwin, London.
- Hayami, Y. (1997), Development Economics, Oxford University Press, New York.
- Higgins, B. (1959), Economic Development, W.W., Norton, New York.
- Meir, G.M. (1995), Leading Issues in Economic Development (6th Edition). Oxford University Press, New Delhi.
- Ray, Debraj (1998), Development Economics, Oxford University Press, Delhi.
- Thirwall, A.P. (1999), Growth and Development, (6th Edition) Macmillan, U.K.
- Todaro, M.P. (1996), Economic Development, (6th Edition), Longman London.

- Cyper, James N. , and Dietz, James L.(2005) , The Process of Economic Development, Rout ledge Taylor and Francis Group, London.
- Grabowski, R, Self S and Shields, Michael (2007), Economic Development: A Regional, Institutional and Historic Approach , Prentice Hall of India, New Delhi
- Chakarvarti, S. (1987), Developing Planning: The Indian Experience, Clarendon Press, Oxford.
- Mishan, E.J. (1975), Cost Benefit Analysis (2nd Edition) Allen and Unwin, London.
- Sen, A.K. (Ed.) (1990), Growth Economics, Penguin, Harmondsworth.
- Todaro, M.P. (1971), Development Planning: Models and Methods, Oxford University Press, Oxford.
- United Nations (2010), Human Development Report, United Nations, New York.
- Norton, George W., Alwang, Jeffery and Masters, William A.(2010), Economics of Agriculture Development, Routledge Taylor and Francis Group, demand for transport, factors influencing transport demand (freight and

TITLE : BUSINESS ENVIRONMENT

COURSE CODE - PSEPTC 402

Preamble: *The basic objective of this course is to acquaint students with business environment in which they have to study global markets, economic systems and functioning of industrial and agricultural sectors. The students will be introduced to the financial system involved in business and social auditing*

UNIT – I : Business and Global Environments

Scope of business, Characteristics of today’s business, business during 21st Century, Business goals , critics of business, nature of business environment, factors in business environment, business ethics, social responsibility of business, consumer rights, consumer protection and consumerism in India , meaning and rationale for globalizations strategies for going global, From domestic markets to Global markets, India WTO and trading blocks

UNIT – II Economic Environments

Nature of economic environment , economic factors Growth Strategy, Basic Economic Systems, Economic Planning Human Resources, Industrial Policy , Industrial licensing, from FERA to FEMA The companies act 1956, Public Sector Enterprises, Privatisation, Small

Scale Industries Industrial Labour , Exit Policy Infrastructure – Growth of infrastructure-energy Transport communication

UNIT – III Economic Environments

Developments banks operations and trends, Stock Exchange – Nature of stock exchange , functions of stock exchange , Growth of stock exchange . Dealing in share markets. Organization of stock markets, The Securities Contracts Act, reforms Monetary and fiscal Policies , Agriculture – Role of agriculture, extent of farm output, problems agenda for action, Foreign Trade Policy

UNIT – IV: Social Cultural Environment

Social and Cultural Environment, Social responsibility of Business, Corporate social responsibility: Managerial ethics as a prerequisite to CSR, strategic value of corporate citizenship, labour issues and corporate social responsibility. Moving towards a global accounting standard, financial reporting and fraud. Business and Society, Social Audit, Corporate Governance

Basic Reading List

- Cherunilam, Francis, “Business Environment, Text and Cases, 16th Edition Himalaya Publishing House
- Cherunilam, Francis “Business and Government”16th Edition , Himalaya Publishing House
- Dutt Rudder and KPM Sunderam, “Indian Economy”53rd edition, S Chand and Company , New Delhi
- Mishra, S.K and V.K Puri Indian Economy – Its Development Experience “27th edition Himalaya Publishing House

TITLE: THE ECONOMICS OF INNOVATION, INTELLECTUAL PROPERTY AND GROWTH

COURSE CODE - PSEPTC 403

Preamble: *This course examines the drivers of innovation and its contribution to the growth of firms, industries, and economies. It explores the links between intellectual property rights and innovation and growth. This course uses tools and concepts from microeconomics, macroeconomics, and theory with empirical analysis drawn from the Developed and*

Developing World to introduce students of economic policy to the processes that drive innovation. Also explored are the role of the state in investing in research and development as well as in creating a strong intellectual property regime and the impact it has in creating incentives to innovate. It looks at the social returns of innovation, its impact on the nature and magnitude of employment as well as the legal issues surrounding international treaties on intellectual property.

Unit 1

The Nature and Importance of Innovation- Definitions. The Microeconomic Effects of Innovation- Interaction between producers and users of Innovation. Innovations and Market Failure. Restoring Incentives to Invent and Innovate- Firms Competing through Innovation The Nature and Role of Intellectual Property- Definitions, Why Are Intellectual Property Rights Awarded? Types of IPRs
The Measurement of Innovation, Productivity, and Growth- How Can Innovation Be Measured? Productivity at the Firm, Industry, and Economy Level. Comparing Productivity and Growth across Countries

Unit II

The National Innovation System- The Central Role of R&D - The Government-University Axis - The University-Business Axis- The Government-Business Axis- National Innovation Systems in Emerging Markets and India
Innovative Firms and Markets - Entrepreneurship and New Firms- Innovation and Firms- Markets and Innovation- Empirical Evidence on the Returns to Innovation - Evidence on Interactions between Competition and Innovation
Intellectual Property Rights and Firms- How Can Firms Benefit from IPRs? Exploring the Returns to IPRs - Markets for IPRs. Costs of Obtaining and Enforcing IPRs- IPR Strategies, Empirical Studies on the Value of IPRs
Diffusion and Social Returns -Modeling the Rate of Adoption of an Innovation- Statistical Evidence on Rates of Adoption- Spillovers and Social Returns to Innovation- Empirical Studies of Social Returns- Spatial Dimensions of Spillovers

Unit III

The Macroeconomics of Innovation - Models of Economic Growth- The Neoclassical Growth Model, Endogenous Growth Models, Evolutionary and Other Models
Innovation and Globalization-definitions, World Trade in Historical Perspective, Theories of Trade and Growth, International Knowledge and Technology Flows: Theory and Evidence, International Financial Flows, International Aspects of IPRs

Technology, Wages, and Jobs -Microeconomic Models of Innovation and Labor Markets,
Innovation and Labor Markets: Evidence from Firms, Macroeconomic and Trade Models of
Innovation and Labor Markets

Unit IV

Economic Policy -Microeconomic Policies to Promote Firm-Level Innovation- Is the
Intellectual Property System Working? Incentive Systems for Encouraging Firm-Level R&D,
Other Innovation Policies

Macroeconomic Issues and Policy- Macroeconomic Evidence on IPRs and Economic
Growth. Trade-Related Aspects of Intellectual Property (TRIPS), Intellectual Property
Rights, Exhaustion, and Parallel Imports, Piracy and Counterfeit, R&D in the Global
Economy, International Migration of Skilled Labor

Basic Reading List/ Additional Reading List

Innovation, Intellectual Property and Economic Growth by Greenhalgh, C. and Rogers, M
Schumpeter, J.A. (1943) Capitalism, Socialism and Democracy. Routledge, 6th Ed.

Antonelli, C. (2003). The Economics of Innovation, New Technologies and Structural
Change. Routledge.

Antonelli, C. (2003). The Economics of Innovation, New Technologies, and Structural
Change. Routledge.

Ahlstrom, D. (2010). Innovation and Growth : How Business Contributes to Society;
Academy of Management Perspectives, Vol.24, Issue 3, Pp. 11-24

Antonelli, C. (2003). The Economics of Innovation, New Technologies, and Structural
Change. Routledge. 210 pgs.

Peilei, F. (2011). Innovation capacity and economic development: China and India. Economic
Change and Restructuring, Vol.44. Issue 1/ 2 Pp.49-73

Steil, B., Victor, D.G., Nelson, R.R.(2002). Technological Innovation and Economics
Performance. A Council of Foreign Relations Book. Princeton University Press.

TITLE : ECONOMICS OF SOCIAL SECTOR
COURSE CODE - PSEPTC 404

Preamble: *The units incorporated in this paper are devoted to analyses the issues of social services and problems of valuation of those services for their benefits and costs planning of these services and benefit analysis, production function models. Also this paper deals with various aspects of health economics with special reference to determinants of health financing of health care, inequalities in health*

UNIT – I Economics of Education – I

Concept of Human Capital – Historical roots of the Concept – Components of Human Capital – Education , Health on the JOB Training and Labour Mobility Human Capital Formation and Economic Development, Affirmative action, reservation for SC/ST/ OBC, women and differently-abled persons, issues pertaining to children, Right to education: Sarvasiksha Abiyaaan, reducing school drop-outs, Primary, secondary and higher education, growth of vocational and technical training.

UNIT – II Economics of Education – II

Expenditure on Education – Consumption or investment, Cost of Education Wastage and Stagnation in Education. Education and Economic Growth – Correlation Approach, Manpower Needs forecasting Approach, Residual Approach, Returns Approach, External Benefits of Education. Education Employment and Earnings; Education and Income distribution Current Educational Scenario in India. Educational Planning in India – Justification in a globalised world. Sources of Education Finance

UNIT – III Health Economics – I

Concepts and Scope of Health Economics, Health and Economic Development Determinants of Health – Income, Poverty, Malnutrition and Environmental Issues Demand and Supply of Health Care. Sources of Health Finance Public – private Partnership in Health Sector, Social security: Health and life insurance, government planning of vaccination, prevention versus cure, alternative medicines and monopoly of allopathic, Promotion of AYUSH

UNIT – IV: Health Economics – II

Concept of Human life value – Production of Health Gender Perspectives in Health. Institutional Issues in health care delivery systems. Concept of Community Health Constructions of Health Status Index. Community Health Status Index. Current Health Scenarios in India , Public Private Partnership in Indian Health Sector National Health Policy NRHM.

BOOKS RECOMMENDED

- Blaug M (ed) Economics of Education Book – I and II
- Blaug M Introduction to Economics of Education
- Wykstra Ronald A Human Capital Formation and Manpower Development
- Beeker G. S Human Capital
- Schultz TW Investment in Human Capital
- Klarman HE The Economics of Health
- Tilak JBG Education for Development in Asia
- Mc Mohan W Education and Development: Measuring the Social Benefits
- Woodhall M Cost – Benefits Analysis in Educational Planning
- UNDP Human Development Reports 1990 to 2007 /08
- Planning Commission Indian Human Development Report
- Rao Manohar M J Indian Economy : Education Health and Development
 - V. G Kalyanker
 - JBG Tilak and
 - VB Anniger (ed)
- Mohan Rao (ed) Disinvestments in Health
