

Syllabus

FOR

B.A. Economics at the Undergraduate level

(Under Choice Based Credit System)

Effective from

Academic Session -2016



POST- GRADUATE DEPARTMENT OF ECONOMICS

UNIVERSITY OF KASHMIR

SRINAGAR-190006

SCHEME FOR CHOICE BASED CREDIT SYSTEM IN B.A. WITH ECONOMICS

Semester	Compulsory	Core Course (12)	Ability Enhancement Compulsory Course (AECC) (2)	Ability Enhancement Elective Course (Skill based) (AEEC) (2)	Discipline Specific Elective DSE (4)	Generic Elective (GE) (4)
I	General English	CR-ECO-I Principles of Microeconomics-I	(Commutative English/MIL) Environmental Science			
II	General English	CR-Eco-II Principles of Microeconomics-II	(Commutative English/MIL) Environmental Science			
III	MIL	CR-ECO-III Principles of Macroeconomics-I	NIL	SEC-ECO-01 SEC-ECO-02		
IV	MIL	CR-ECO-IV Principles of Macroeconomics-II	NIL	SEC-ECO-03 SEC-ECO-04		
V	NIL	---		SEC-ECO-05 SEC-ECO-06	DSE-ECO-01 DSE-ECO-02 DSE-ECO-03	GE-ECO-01
VI	NIL	---		SEC-ECO-07 SEC-ECO-08	DSE-ECO-04 DSE-ECO-05 DSE-ECO-06	GE-ECO-02 GE-ECO-03

Note: *CR* Stands for Core Courses; *DSE* for Discipline Specific Electives; *SEC* for Skill Enhancement Courses and *GE* for Generic Electives

Core courses

- CR-ECO-I Principles of Microeconomics –I
- CR-ECO-II Principles of Microeconomics –II
- CR-ECO-I Principles of Macroeconomics –I
- CR-ECO-II Principles of Macroeconomics –II

Courses Discipline Specific Elective DSE (Any 2 from the following) (One in Semester V and One in Semester VI)

- DSE-ECO-01 Economic Development and Policy in India–I
- DSE-ECO-02: Public Finance
- DSE-ECO-03: Economic History of India 1857-1947
- DSE-ECO-04: Economic Development and Policy in India–II
- DSE-ECO-05: Environmental Economics
- DSE-Eco-06: Money and Banking

Skill Enhancement Elective Course SEC (Any 4) (1 each in Semester III, IV, V and VI)

- SEC-Eco-01: Computer Applications
- SEC-Eco-02: Tourism Marketing
- SEC-Eco-03: Data Analysis
- SEC-Eco-04: Operation in the Tourism Business
- SEC-Eco-05: Mathematical Economics
- SEC-Eco-06: Tourism undertaking
- SEC-Eco-07: Financial Economics
- SEC-Eco-08: Entrepreneurship for Self Employment in J&K

Generic Elective (GE) (Any 2, 1 each in Semester V and VI)

- GE-Eco-01: General Economics
- GE-Eco-02: Growth and Development
- GE-Eco-03: Introductory Indian Economy

Semester 1st

Course Code: CR-ECO-I Principles of Microeconomics-I

Course Description

This course intends to expose the student to the basic principles in Microeconomic Theory and illustrations with applications.

Unit I: Introduction

Problem of scarcity and choice: scarcity, choice and opportunity cost; production possibility frontier; economic systems. Demand and supply: law of demand, determinants of demand, shifts of demand curve versus movements along a demand curve, market demand, law of supply, determinants of supply, shifts of supply curve versus movements along a supply curve, market supply, and Market equilibrium. Applications of demand and supply: consumer Surplus, producer surplus .Elasticity of demand: price, income and cross, degrees of elasticity, determinants of price elasticity.

Unit II: Consumer Theory

Utility-concept, diminishing marginal utility, consumer choice: indifference curves, properties, Budget Constraint, Consumer's equilibrium, derivation of demand curve from indifference curve and budget constraint.

Unit III: Production and Costs

Production functions- properties; law of variable proportions, returns to scale, isoquant and iso-cost lines, cost minimizing equilibrium condition –single product firm.

Costs: costs in the short run, costs in the long run, revenue-concept and relation, revenue and profit maximization, minimizing losses, economies and diseconomies of scale

Unit IV: Market Structure

Assumptions: theory of a firm under perfect competition, demand and revenue; equilibrium of the firm in the short run and long run; long run industry supply curve: increasing, decreasing and constant cost industries.

Readings:

1. Case, Karl E. & Ray C. Fair, *Principles of Economics*, Pearson Education, Inc., 8th Edition, 2007.
2. H.L.Ahuja (Latest Edition) *Advanced Economic Theory –Microeconomic Analysis* ; S Chand Company, New Delhi
3. D.N.Devidi (Latest Edition), *Microeconomics* Tata McGraw Hill , New Delhi
4. Dominick Salvatore (Latest Edition) *Microeconomics –Theory and Application*, Oxford University Press, New Delhi.

Semester 2nd

Course Code: CR-ECO-II

Principles of Microeconomics–II

Course Description

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

Unit I: Imperfect Competition

Market Structure-Concept of imperfect competition; Monopoly-characteristics; short run and long run price and output decisions of a monopoly firm; concept of a supply curve under monopoly; comparison of perfect competition and monopoly; Types of monopoly; economic and social cost of monopoly; price discrimination-concept.

Monopolistic competition: characteristics; Short Run and Long Run Price and output determinations under monopolistic competition; oligopoly: concept and characteristics of oligopolistic markets; oligopoly models: Cournot, Chamberlin and Kinked Demand curve.

Unit II: Consumer and Producer Theory

Externalities, Marginal costs pricing, internalizing externalities; public goods, imperfect information, moral hazard, social choice, government inefficiency; Market adjustment to changes in demand; efficiency of perfect competition; sources of market failure.

Unit III: Income Distribution and Factor pricing

Distribution-concept, Marginal productivity theory of distribution; Wages-Modern theory of wages; Rent-Ricardian theory of Rent; Profit-innovation theory; Interest-Keynesian theory.

Unit IV: International Trade

Theories of Absolute and comparative advantage, terms of trade-concept and types; sources of comparative advantage; trade barriers; free trade/ protectionism.

Readings:

1. Case, Karl E. & Ray C. Fair, *Principles of Economics*, Pearson Education, Inc., 8th Edition, 2007.
2. H.L.Ahuja (Latest Edition) *Advanced Economic theory –Microeconomic Analysis* ; S chand company ,New Delhi
3. D.N.Devidi (Latest Edition),*Microeconomics* Tata McGraw Hill ,New Delhi
4. Domnic Salvatore (Latest Edition) *Microeconomics –Theory and Application*, Oxford University Press, New Delhi.
5. Domnic Salvatore (Latest Edition) *International Economics*, Wily India, New Delhi.
6. Robert J. Carbaugh (2004) *International Economics*, Thompson Publishing Company, New York.

Semester 3rd

Course Code: CR-ECO-III

Principles of Macroeconomics–I

Course Description

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

Unit I: Introduction

Macroeconomics-Concept; Macroeconomic issues- an overview; concepts of GDP and National Income; measurement of national income and related aggregates; nominal and real income; limitations of the GDP

Unit II: Determination of GDP

Actual and potential GDP; aggregate expenditure; consumption function; investment Function; equilibrium GDP; concepts of MPS, APS, MPC, APC; autonomous expenditure; Concept of multiplier.

Unit III: National Income Determination in an Open Economy

Fiscal Policy: impact of changes in government expenditure and taxes; net exports function; net exports and equilibrium national income.

Unit IV: Money in a Modern Economy

Concept of money in a modern economy; monetary aggregates; demand for money; Quantity theory of money; liquidity preference and rate of interest; money supply and credit creation; monetary policy.

Readings:

1. Edward Shapiro, (2005): Macroeconomic Analysis, 5th Edition, Galgotia Publications, New Delhi
2. Sikder, Snoryen, Principles of Macroeconomics, 2nd addition Oxford University Press, India
3. D.N. Dwivedi (2007) Microeconomics, Tata Mcgraw Hill, New Delhi.
4. H.L Ahuja, (2007) Advanced Economic Theory-Microeconomic Analysis, S. Chand & company New Delhi.

Semester 3rd

Course Code: SEC-Eco-01

Computer Applications

Course Description: The course is designed to aim at imparting an understanding of basic computer applications for undergraduate students in economics. After completing this course the student will be able to use computer in their personal, academic and professional fields. It provides basic soft skills in handling complex data in addition to creation and formatting of word documents and presentations.

Unit-I: Introduction to Computer

History, generations, types and components of computers, Processor, Computer memory and storage, Input-Output devices; Operating systems- concept and types, Windows- concepts and components; Basics of computer network: LAN, WAN and MAN; Introduction to internet and its applications

Unit-II: Word Processing and Power Point presentation

Introduction to word processing with MS Word, working with documents, using tables, pictures and charts; Power points presentation- creating and enhancing a presentation, creating and publishing a web presentation, modifying a presentation, working with visual elements, delivering a presentation and designing a template

Unit-III: Working with Spreadsheets

Elements of electronic spread sheets and M.S Excel; concepts, applications and advantages, opening of spreadsheets, menu-bar, creation, addressing and inputting of cells; manipulation of cells: enter text, numbers and dates, creation of tables, cell heights and width, copying of cells; functions- using mathematical, statistical and financial functions, charts- drawing different types of charts

Unit-IV: Data Base Management System

Introduction to data base: definition, components and advantages; MS Access-creating and opening a data base file, Introduction to data base windows, saving and closing data base file, using help menu; Working with database— using the database wizard, working with data sheets, moving between records and files, using goto updating records, selecting rows and columns, changing column with saving and exiting database; Working with tables— creating a new database, adding tables, adding fields to table, setting a primary key, adding and sorting records, setting relationship; Creating reports, forms and queries, using wizard and design view

References:

1. Kahate, A. (2008) Information Technology, 3rd Edition, Mc Graw Hill, New Delhi.
2. Sinha, P.K & P. Sinha (2004) Computer Fundamentals, 6th Edition, BPB Publications, New Delhi.

Semester 3rd

Course Code: SEC-Eco-02

Tourism Marketing

Course Description

The course includes the operation techniques of tourism marketing. The students are expected to attain a basic knowledge of marketing principals, study to suitability of alternative promotional approaches and to formulate marketing plans for tourism industry.

Unit I

Core concepts in Marketing, Needs, Wants & Demands, Products, Customer value & satisfaction, quality, exchange & transactions, markets and marketing. Segmentation of Tourism Market-concept, justification, importance and bases. Market Research-methods, research problem areas, marketing research in the tourism industry. Tourism life cycle.

Unit II

Tourism Marketing Mix-8 Ps. Methods of Pricing-the factors influencing the pricing decisions, pricing objectives, pricing policies. Service Characteristics of Tourism. Unique features of tourist demand and tourism product. Branding and packaging-conditions that support branding.

Unit III

Destination Planning and Product Diversification. Destination Marketing. Marketing strategy in the new digital age-E-Business, E-Commerce and E-Marketing. Complementary Marketing. Role of Media in promotion of Tourism TV/ Radio, Newspaper, Travel Magazines, Documentaries, Guide Books, Travel writers, Electronic Tourism promotion: Advertising, Public relations, sales promotion and personal selling.

Suggested Readings:

- Kotler Philip, Marketing Management: Analysis, Planning Implementation, and Control, Prentice Hall of India, New Delhi.
- Brigs, Susan- Successful Tourism Marketing: A Practical Handbook, Kogan Page, London, 1997.
- Middleton- Victor T.C Marketing in Travel and Tourism, Oxford, 1994
- Brunt, Paul- Market Research in Travel and Tourism, Butterworth Heinemaun, 1997.
- Hollway, J.C. Marketing for Tourism (Harlow: Longman, 1995)
- NamaKumari and Rama Swami- Marketing Management

Semester 4th

Course Code: CR-ECO-1V

Principles of Macroeconomics–II

Course Description

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

Unit I:IS-LM Analysis

Derivations of the IS and LM functions; IS-LM and aggregate demand; shifts in the AD curve.

Unit II: GDP and Price Level in Short Run and Long Run

Aggregate demand and aggregate supply; multiplier Analysis with AD curve and Changes in price levels; aggregate supply in the SR and LR.

Unit III: Inflation and Unemployment

Inflation-Concept and types; determinants of inflation; relationship between inflation and Unemployment: Phillips Curve in short run and long run.

Unit IV: Balance of Payments and Exchange Rate

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

Readings:

1. Case, Karl E. & Ray C. Fair, *Principles of Economics*, Pearson Education, Inc.,8th edition, 2007.
2. Sikdar, Shoumyen, *Principles of Macroeconomics*, 2nd Edition, Oxford University Press, India.

Semester 4th

Course Code: SEC-ECO-03

Data Analysis

Course Description

This course introduces the student to collection and presentation of data. It also discusses how data can be summarized and analyzed for drawing statistical inferences. The students will be introduced to important data sources that are available and will also be trained in the use of free statistical software to analyze data.

Unit I: Elementary statistics

Data Sources and types; Census vs. Sampling of population – relative merits and demerits; primary and secondary data, collection of primary data; sampling- meaning and types of random sampling;

Unit II: Central Tendency and Dispersion

Measures of Central tendency—mean, median, mode, geometric and harmonic mean; measures of dispersion- range, quartile and standard deviation; skewness—measures of skewness; Moments and kurtosis

Unit III: Index Numbers and Time Series

Index number- Meaning, Uses, Problems in Construction of Index number, Methods of Constructing Index number, price and quantity index numbers; Time series- Meaning; Components of time series; measurement of trends, seasonal variations and cyclical variation.

Unit IV: Correlation and Regression

Correlation- meaning and types, coefficient of correlation- Karl Pearson's, Spearman's rank correlation; Regression- meaning, correlation vs regression; bivariate regression analysis

Readings

1. Elhance and Elhance (2016); Fundamentals of Statistics, Kitab Mahal New Delhi.
2. S. C. Gupta (1993), Fundamentals of Applied Statistics, S. Chand & Sons, New Delhi.
3. S. P. Gupta (2010), Fundamentals of Statistics. Himalaya Publishing House
4. G. M. Clarke and D. Cooke (1992) 3rd ed; A Basic Course in Statistics, Arnold Publishing House.
5. Croxton, Crowden and Klein, (1971); Applied General Statistics, Prentice Hall of India,

Semester 4th

Course Code: SEC-Eco-04

Operations in the Tourism Business

Course Description

This course is intended to make students understand the conceptual meaning of Travel business. They will also get an idea about the working and functioning of Travel agencies and Tour operators.

Unit I

Facilitation - passport, visas, immigration, customs, health requirements, travel insurance, Airport handling. Ticketing procedures, Credit and Commissions. Alliances and Loyalty programmes. CRS and GDS. GITs and FITs.

Unit II

Tourism Product and Services. New technologies.--Role of Information Technology in tourism. Travel related services and business. Difference between travel agent and tour operator .Functions of travel agency.Organizational structure and various departments of a travel agency. Principles of management and its application in travel trade.

Unit III

Tour operational techniques-departure, hotel procedures, aboard the coach, activities on the Bus, The driver relationship, meeting individual needs, group identification, shopping, sightseeing, special interest, free time, emergency procedures, finance & accounting. Tourism trade and consumer protection acts. Issues relating to tourism laws and legislation. International Agreements viz. GATS. Tour escorting ethics.

Suggested Readings

1. Bull, A. The Economics of Travel and Tourism, Longman: UK.
2. Jagmohan Negi-Travel Agency & Tour Operations
3. IATO Manuals and reports.
4. Report of National Committee on Tourism, Know India, 1988.
5. National Action Plan, 1992.
6. Various Reports of United Nations World Tourism Organizations.
7. Bezbaruah, M.P. Indian Tourism beyond the Millennium, Gyan Publication, New Delhi, 1999

Semester 5th

Course Code: DSE-ECO-01 Economic Development and Policy in India–I

Course Description

This course reviews major trends in aggregate economic indicators in India and places these against the backdrop of major policy debates in India in the post- Independence period.

Unit I: Introduction to Indian Economy

Features of Indian Economy; Issues in growth; development and sustainability; Capital formation – physical and Human; Role of Technology and Institutions in Development.

Unit II: Population and economic Development

Demographic features in India –Population size and growth rates; demographic dividends –issues and challenges; population growth and economic development; urbanization.

Unit III: Employment

Occupational structure in the organized and the unorganized sectors; unemployment- open, under, disguised unemployment (rural and urban); Post-reform employment schemes and their Impact.

Unit IV: Indian Development Experience

Critical evaluation of growth; inequality, poverty and competitiveness; pre and post Reforms era; savings and investment; mobilization of internal and external finance; Monetary and fiscal policies; centre-state financial relations.

Readings:

1. Michael P Todaro and Stephen Smith. *Economic Development*, Pearson, 11th edition (2011)
2. Uma Kapila, *Indian Economy since Independence*, Academic Foundation, 19th edition(2009).
3. United Nations Development Programme, *Human Development Report-latest issue*.

Semester 5th

Course Code: DSE-ECO-02

Public Finance

Course Description

This course is a non-technical overview of government finances with special reference to India. The course does not require any prior knowledge of economics. It will look into the efficiency and equity aspects of taxation of the centre, states and the local governments and the issues of fiscal federalism and decentralization in India. The course will be useful for students aiming towards careers in the government sector, policy analysis, business and journalism.

Unit I: Introduction

Overview of Fiscal Functions; Tools of Normative Analysis; Pareto Efficiency; Equity and the Social Welfare. Market Failure; Public Good and Externalities.

Unit II: Taxation

Taxation-Concept and types; Canons of taxation; impact and incidence; effects of taxation; theories of taxation - Physiocratic theory; benefit received theory.

Unit III: Public Finance issues in India

Working of Monetary and Fiscal Policies; Current Issues of India's Tax System-GST Analysis of Budget and Deficits.

Unit IV: Fiscal Federalism in India

Introduction; Allocation of revenue resources between centre and state; state and local finances; shortcomings of federal financing; suggestions for improvement; Finance commission-Functions; recommendations of recent finance commissions;

Readings

1. Lekhi, R.K & Joginder Singh, (2016) Public Finance, 11th Edition, Kalyani publishers, Ludhiana, New Delhi.
2. Musgrave, R.A. and P.B. Musgrave, *Public Finance in Theory and Practice*, McGraw Hill, 1989.
5. Kaushik Basu, and A. Maertens (ed.), *The Oxford Companion to Economics in India*, Oxford University Press, 2007.
6. M.M Sury, *Government Budgeting in India*, Commonwealth Publishers, 1990.
7. Shankar Acharya, "Thirty years of tax reform" in India, *Economic and Political Weekly*, May 2005.

8. Government of India, *Report of the 13th Finance Commission*.
9. *Economic Survey*, Government of India (latest).
10. State Finances: A Study of Budgets, *Reserve Bank of India* (latest).

Semester 5th

Course Code: DSE-ECO-03

Economic History of India 1857-1947

Course Description

This course analyses key aspects of Indian economic development during the second half of British colonial rule. In doing so, it investigates the place of the Indian economy in the wider colonial context, and the mechanisms that linked economic development in India to the compulsions of colonial rule. This course links directly to the course on India's economic development after independence in 1947.

Unit I: Introduction

Overview of colonial economy; National Income; population; occupational structure

Unit II: Agriculture

Agrarian structure and land relations; agricultural markets and institutions—credit, commerce and technology; trends in performance and productivity; famines.

Unit III: Railways and Industry

Railways; the de-industrialization debate; evolution of entrepreneurial and Industrial structure; nature of industrialization in the interwar period; constraints to industrial breakthrough; labor relations.

Unit IV: Economy and State in the Imperial Context

The imperial priorities and the Indian economy; drain of wealth; international trade, capital flows and the colonial economy – changes and continuities; government and fiscal policy.

Readings:

1. Lakshmi Subramanian, "*History of India 1707-1857*", Orient Blackswan, 2010, Chapter.
2. J. Krishnamurty, *Occupational Structure*, Dharma Kumar (editor), The Cambridge Economic History of India, Vol. II, (henceforth referred to as CEHI), 2005, Chapter 6.
3. Irfan Habib, *Indian Economy 1858-1914*, A People's History of India, Vol.28, Tulika, 2006.
4. Jean Dreze, *Famine Prevention in India in Dreze and Sen (eds.) Political Economy of Hunger*, WIDER Studies in Development Economics, 1990, 35.

Semester 5th

Course Code: SEC-ECO-05

Mathematical Economics

Course Description

This course introduces the student to Mathematical techniques to be applied in core subjects of economics like microeconomics, macroeconomics, public economics, and econometrics at advanced stages.

Unit I: Basic Concepts in Quantitative Methods

Role of Mathematics in Economics; Coordinate Geometry: Straight Line; Parabola; Rectangular Hyperbola,

Unit II: Functions

Types of Functions, Different Functions used in Economics; Limits, Continuity and Derivatives—Definition and Evaluation,

Unit III: Differentiation and Integration

Rules of Differentiation; Partial differentiation; Uses of Differentiation in Economics; Basic Integration, Marginal Concepts and Elasticities

Unit IV: Matrices

Types of Matrices, Operations of Matrices: Addition, Subtraction and Multiplication, Determinants: characterization, properties and applications, Inverse of a Matrix, Solution of Simultaneous Equations, Crammer's Rule and Co-factor Method

Readings

1. R. G. D Allen, (2003); Mathematical Analysis for Economists, The Macmillan Press, New Delhi.
2. A.C Chiang, (1984); Fundamental Methods of Mathematical Economics, Tata McGraw Hill,
3. D. T. Edward, (2008); Introduction to Mathematical Economics, Tata McGraw Hill, Delhi.
4. S. C. Gupta and V. K. Kapoor; Fundamentals of Mathematical Statistics, Himalaya publishing House, New Delhi.
5. Edward T. Dowling (2000), Introduction to Mathematical Economics, Schaum's Outline

Semester 5th

Course Code: SEC-Eco-06

Tourism Undertaking

Course Description

This course will give an overview of tourism transportation system and various organizations. Further students will understand formalities and documentation needed to set up these units.

Unit I

Modes of transport- Rail, Road, Air and Sea. Elements of transportation. Political influences on transport for tourism. Regulation of competition. Role of Railways in promotion of domestic tourism. Important tourist trains in India. Case study of Air India and a few important International Airlines. Accommodation and Catering- Types of hotel, procedure of categorization and classification of hotels .Accommodation and the tourism product. Quality issues. New concepts and developments in accommodation.

Unit II

Definitions of Travel Agency and Tour Operators, Itinerary making and costing , Approval of Travel Agency by Department of Tourism , Govt. of India. Rules and Regulations for approval.Classifications of travel agents and Forms of organizations.Functions of travel agency and the tour operators.Tour planning.

Unit III

Tourism Organization and their role in Tourism Development, Local – JKTDC, Development authorities for Gulmarg, Pahalgam and Sonamarg. National- IATO, TAAI, ITDC, International – IATA, ICAO,UNWTO, Freedoms of air,Open skies policy.

Suggested readings

- Achariya “ Civil Aviation and Tourism Management”
- Mill and Morrison- “ The Tourism System” • Murphy- “ Transport and Distribution”
- JagmohanNegi -Travel Agency Operations and Concepts and Principles
- S. P. Singh-Travel Tourism Management
- Hollander S. - Passenger Transportation (Michigan: MichiganStateUniversity)

Semester 5th

Course code: GE-ECO-01

General Economics

This course intends to expose the general students to the basic principles in Micro and Macroeconomic Theory.

Unit 1: Introduction

Definition and scope of Economics; Micro and Macro Economics; Positive and Normative Economics; working of Economic Systems: capitalism, socialism and Mixed Economies.

Unit II: Microeconomics I

Utility-cardinal and ordinal; Meaning of Demand; the Law of Demand; Supply; Law of Supply, Indifference Curve-properties; Budget line, consumers equilibrium.

Unit III Microeconomics II

Market Structure-forms of market-Concept; Perfect Competition; Monopoly; Monopolistic Competition and oligopoly--meaning and characteristics.

Unit IV: Macroeconomics

National Income- Concepts and Measurements, Inflation- types, causes and consequences; Poverty and Unemployment-meaning and types.

Readings:

1. Samuelson and Nordhous (2014), Economics. Tata McGraw Hill.
2. D.N. Dwivedi (2007), Microeconomics, Tata McGraw Hill, New Delhi.
3. H.L.Ahuja (2007), Advanced Economic Theory— Microeconomic Analysis, S. Chand & Company, New Delhi.

Semester 6th

Course Code: DSE-ECO-04 Economic Development and Policy in India–II

Course Description

Building on the more aggregative analysis of trends in the Indian Economy offered in Economic Development and Policy–I, this course examines sector-specific trends in key indicators and their implications in the post-Independence period.

Unit I: Agriculture: Policies and Performance

Production and productivity; credit; labour; markets and pricing; land reforms; regional variations.

Unit II: Industry: Policies and Performance

Production trends; small scale industries; public sector; foreign investment.

Unit III: Foreign Trade: Trends and Policies

Balance of trade and balance of payments; India and the World Trade Organization.

Unit IV: Social Sector

Human Resource Development-Conceptual Framework; Education Policy in India; an overview of latest schemes; Problems of India's Education System; Health-Policy, Schemes, Problems of India's Health Sector.

Readings:

1. Uma Kapila, (2009). *Indian Economy since Independence*, 19th edition, Academic Foundation, New Delhi.
2. Government of India, *Economic Survey* (latest)
3. Misra & Puri, (2016) *Indian Economy*, Himalaya Publishing House, New Delhi.

Semester 6th

Course Code: DSE-ECO-05 Environmental Economics

Course Description

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

Unit I: Introduction

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

Unit II: The Design and Implementation of Environmental Policy

Overview, Pigouvian taxes and effluent fees, tradable permits, implementation of environmental policies in India and international experience; trans-boundary environmental problems; economics of climate change.

Unit III: Environmental Valuation Methods and Applications

Valuation of non-market goods and services--theory and practice; measurement methods; cost-benefit analysis of environmental policies and regulations.

Unit IV: Sustainable Development

Concepts; measurement; perspectives from Indian experience

Readings

1. Roger Perman, Yue Ma, Michael Common, David Maddison and James McGilvray, "*Natural Resource and Environmental Economics*", Pearson Education/Addison Wesley, 4th edition, 2011.
2. Charles Kolstad, "*Intermediate Environmental Economics*", Oxford University Press, 2nd edition, 2010.
3. Robert N. Stavins (ed.), "*Economics of the Environment: Selected Readings*", W.W. Norton, 6th edition, 2012.
4. Robert Solow, "An Almost Practical Step toward Sustainability," Resources for the Future 40th anniversary lecture, 1992.
5. Kenneth Arrow et al., "Are We Consuming Too Much?" *Journal of Economic Perspectives*, 18(3): 147-172, 2004.

Semester 6th

Course Code: DSC-ECO-06

Money and Banking

Course Description

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

Course Outline

Unit I: Money

Concept; Kinds; functions, measurement; theories of money supply determination.

Unit II: Financial Institutions and Markets

Role of financial markets and institutions; problem of asymmetric information—adverse selection and moral hazard; recent financial crises; Money and capital markets- instruments; capital market reforms in India;

Unit III: Interest Rates

Determination; sources of interest rate differentials; theories of term structure of interest rates; interest rates in India.

Unit IV: Banking System

Commercial Banks- Balance sheet and portfolio management; Functions of Central bank, goals, targets, indicators and instruments of monetary control; monetary management in an open economy; current monetary policy of RBI.

Readings

1. F. S. Mishkin and S. G. Eakins, *Financial Markets and Institutions*, Pearson Education, 6th edition, 2009.
2. F. J. Fabozzi, F. Modigliani, F. J. Jones, M. G. Ferri, *Foundations of Financial Markets and Institutions*, Pearson Education, 3rd edition, 2009.
3. L. M. Bhole and J. Mahukud, *Financial Institutions and Markets*, Tata McGraw Hill, 5th edition, 2011.
4. M. Y. Khan, *Indian Financial System*, Tata McGraw Hill, 7th edition, 2011.
5. Latest issues of R.B.I. Bulletins, Annual Reports, Reports on Currency and Finance and Reports of the Working Group, IMF Staff Papers.

Semester 6th

Course Code: SEC-ECO-07

Financial Economics

Course Description

This course introduces students to the economics of finance. The course does not require any prior knowledge of economics. This course should be accessible to anyone with an exposure to elementary mathematics. The course is designed to impart the essential aspects of financial asset valuation. The students will be introduced to numerical techniques in finance using spreadsheet programs such as Microsoft Excel. The course will impart skills that will be useful in a variety of business settings including investment banks, asset management companies and in the field of financial and business journalism.

Unit I Financial Markets

Financial economics; meaning and scope; Financial Markets- concept, classification and functions; Instruments of developed money and capital markets; characteristics of Financial Instruments; Financial derivatives.

Unit II: Deterministic cash-flow streams

Basic theory of interest; discounting and present value; internal rate of return; evaluation criteria; fixed-income securities; bond prices and yield; the term structure of interest rates; yield curves; spot rates and forward rates.

Unit III: Single-period random cash flows

Random asset returns; portfolios of assets; portfolio mean and variance; feasible combinations of mean and variance; mean-variance portfolio analysis: the Markowitz model and the two-fund theorem; risk-free assets and the one-fund theorem.

Unit IV: Capital Asset Pricing Model (CAPM)

The capital market line; the capital asset pricing model; the beta of an asset and of a portfolio; Security market line; use of the CAPM model in investment analysis and as a pricing formula.

Readings

1. David G. Luenberger, Investment Science, Oxford University Press, USA, 1997.
2. Richard A. Brealey and Stewart C. Myers, Principles of Corporate Finance, McGraw-Hill, 7th edition, 2002.
3. Burton G. Malkiel, A Random Walk Down Wall Street, W.W. Norton & Company, 2003.
4. Simon Benninga, Financial Modeling, MIT Press, USA, 1997.

Semester 6th

Course Code: SEC-Eco-08 Entrepreneurship for Self Employment in J&K

The major thrust of this course is to introduce the student to various employment generation schemes and avenues as available in the state of Jammu and Kashmir. After some familiarity with the basic features of Jammu and Kashmir Economy, this course develops into a thorough practical guide to self employment and entrepreneurship processes in the state of Jammu and Kashmir.

UNIT I: Macroeconomic Scenario

Macroeconomic aggregates- NSDP, PCY, HDI and GDI trends since 2005; Land use and cropping pattern; production and productivity of food grains since 2005; Agrarian Transition in J&K; Horticulture- area, production and export of fruits since 2005, Industrial Scenario in J&K; SSI units in State- Status and Rehabilitation; Handicrafts- production and exports; Tourism - inflow, revenue; Role of Directorate of Tourism in its Development.

UNIT II: A Guide to Self Employment

Self employment – concept and importance; potential areas in J&K; a starter's guide to: dairy farming, sheep farming, poultry, walnut in the state of J&K.

Unit III: Entrepreneurship and Employment - I

Entrepreneurship in J&K – Role of Entrepreneurship Development Institute (EDI); Appraisal of Capital Fund Scheme: objectives, eligibility and strategy; sanctioning of seed capital, mode of payment of seed capital, monitoring and appraisal.

UNIT IV: Entrepreneurship and employment – II

Youth Startup Loan Scheme : Introduction, Objectives, Implementing Agency(s), Eligibility Strategy, Sanctioning of Loan, Mode of Repayment, Security, Other Terms & Conditions, Monitoring, Evaluation and Appraisal

Basic Reading List:

1. Economic Survey 2005 onwards.
2. Effat Yasmin & Javaid .I.Khan (2017), Perspectives on Jammu and Kashmir Economy, Bookwell, Delhi
3. Government of Jammu and Kashmir Department of Labour and Employment: Guidelines For Seed Capital Fund Scheme, available at: <http://jkedi.org/Seed-Capital.aspx>
4. Government of Jammu and Kashmir Labour & Employment Department Civil Secretariat Srinagar/ Jammu Guidelines For Youth Startup Loan Scheme, available at <http://jkedi.org/ysls.aspx>
5. A guide to opening up self employment ventures, available at <http://jkedi.org/Resources.asp>

Semester 6th

Course code: GE- ECO-02

Growth and Development

This course is designed to expose the student to the basic concepts of growth and development.

Unit I: Growth

Concept of Economic Growth, Difference between Growth and Development, Measures of growth-GNP, GNP per capita; Concept of Inclusive Growth.

Unit II: Development

Concepts: Economic Development, Sustainable Development, Characteristics of under Developed countries, Human Development; Measures of Development: PQLI, HDI.

Unit III: Sectoral Developments

Role of Agriculture in economic development; Role of industry in economic development; Services sector and economic development.

Unit IV: Capital Formation

Capital formation and economic development; technological change and economic development; choice of techniques-labour vs capital techniques.

Readings:

1. A.P. Thirlwal (2005), Growth and Development, Macmillan Press Ltd., U.K.
2. Todaro & Smith (2005), Economic Development, Longman, London.
3. M.L. Jhingan (2013), The Economics of Development and Planning, Vrinda Publications, New Delhi.
4. Misra & Puri, (2016) Economics of Development and Planning, Himalaya Publishing House, Delhi

Semester 6th

Course code: GE-ECO-03 Introductory Indian Economy

This course is designed to acquaint the students with basic understanding of the Indian Economy. Appraisal of planning and macroeconomic issues of poverty and unemployment form a part of the subject matter of this course.

Unit 1: Introduction

Nature of Indian Economy; Agriculture, Industry and Services Sector;

Unit II: Population Growth and Economic Development

Demographic features – Causes of Rapid Population Growth; population and economic development; remedies for population explosion; Indian Population Policy.

Unit 3: Planning and Other Issues in Indian Economy

Economic Planning; Important features of Indian Economy, Objectives, Economic Reforms in India: Liberalization, Globalization and Privatization.

Unit 4: Poverty and Unemployment

Poverty- concept, types, measurement and incidence; Inequality-concept
Unemployment –concept, causes and types

Readings:

1. Datt, R. and K.P.M. Sundharam, (2001), Indian Economy, Chand & Company Ltd., New Delhi.
2. Misra, S.K and V.K Puri (2015), Indian Economy, Himalaya Publishing House, Mumbai.