

# **GURU NANAK COLLEGE (AUTONOMOUS)**

(Affiliated to University of Madras and Re-Accredited at 'A' Grade by NAAC)

Velachery Main Road, Velachery, Chennai – 600042.



## **M.PHIL., Economics**

(SEMESTER PATTERN WITH CHOICE BASED CREDIT SYSTEM)

## **Syllabus**

(For the candidates admitted in the Academic year 2018-19 and thereafter)

## **VISION**

- ❖ To uphold high standards of academic excellence in teaching and research.
- ❖ To grow to gain wide-spread recognition for Post-Graduate and Ph.D. programmes.
- ❖ To promote academic activities like research, internships, training, etc.
- ❖ To organize International/National Seminar/Workshop programmes to facilitate interaction with academicians and experts.
- ❖ To focus on a set of skills relevant to strengthening students' competency to gain employment.

## **MISSION**

- To provide students with a strong theoretical foundation in Economics.
- To train and equip students with the requisite skills to carry out Applied Economics Research.
- To promote experiential learning through the application of knowledge to new challenges.
- To provide the social capital necessary for establishing a healthy society by instilling values, ethics and confidence in young minds.
- To provide students with a strong foundation in economic theory, strengthened by critical thinking and sharp analytical skills required for policy analysts.

## **PROGRAMME OUTCOMES**

**PO1:** To understand foundation and philosophy in Research and topic chosen for research

**PO2:** To provide students with an advanced theories and concepts in Economics

**PO3:** To give knowledge about the environmental awareness and the Environmental Protection Act

## **PROGRAMME SPECIFIC OUTCOME**

**PSO1:** To recognize and explore topics relevant to academic and policy-making arenas.

**PSO2:** To formulate social sciences hypotheses and use empirical models to test.

<b>M.PHIL ECONOMICS</b>				
<b>COURSE STRUCTURE 2018-19 BATCH</b>				
<b>SEM</b>	<b>COURSE COMPONENT</b>	<b>SUBJECT NAME</b>	<b>CREDITS</b>	<b>HOURS</b>
<b>I</b>	Core – I	Research Methodology	5	6
	Core – II	Advanced Economic Theory	5	6
	Internal Paper	Environmental Economics	5	6
	Thesis work	Thesis and Viva – Voce	21	
	<b>TOTAL</b>			<b>36</b>

## **CORE PAPER I: RESEARCH METHODOLOGY**

<b>SUBJECT CODE: 18LECO01</b>	<b>THEORY &amp; APPLICATION</b>	<b>MARKS 100</b>
<b>SEMESTER: I</b>	<b>CREDITS: 5</b>	<b>TOTAL HOURS: 6</b>

### **Objective**

To create an awareness of the Process of Research, the tools and techniques of research and generation of reports.

### **Unit I: Introduction to Research**

Meaning – Objectives – Types of Research – Scope of Research – Research Approaches – Research Process – Research Design – Research Methods Vs Research Methodology – Steps in Research – Problem Formulation – Statement of Research Objective – Exploratory – Descriptive – Experimental Research.

### **Unit II: Methods of Data Collection**

Observational and Survey Methods – Field Work Plan – Administration of Surveys – Training Field investigators – Sampling methods – Sample size.

### **Unit III: Tools for Collection of Data**

Questionnaire Design; Attitude measurement techniques – Motivational Research Techniques – Selection of Appropriate Statistical Techniques.

### **Unit IV: Statistical Methods**

Tabulation of data – Analysis of data – Drawing Testing of hypothesis, advanced techniques – ANOVA, Chi-Square – Discriminant Analysis – Factor analysis Conjoint analysis – Multidimensional scaling – Cluster Analysis (Concepts only)

### **Unit V: Report Writing**

Types of Reports, Business, Technical and Academic Report Writing – Methodology Procedure – Contents – Bibliography.

### **REFERENCES:**

1. Donald R Cooper, Pamela S Schindler & J K Sharma (2013); Business Research Methods, 11th ed., Mcgraw Hill.
2. Enders, A. (2014); Applied Econometric Time Series, 3rd ed, Wiley.
3. Greene, W.H. (2012); Econometric Analysis, 7th ed., Pearson Education Inc.
4. Gujarati, D; Porter, D. C. & Gunasekar, S. (2015); Basic Econometrics,

5. Macgraw Hill.J Jonker, & B J W Pennink (2009); The Essence of Research Methodology, Springer Publishing Company.
6. Kate Turbian; A Manual for Writers of Research Papers, Theses and Dissertation, University of Chicago.
7. Maddala and Lahiri (2011); Introduction to Econometrics, 4th ed., Wiley

## CORE PAPER – II: ADVANCED ECONOMIC THEORY

<b>SUBJECT CODE: 17LECO02</b>	<b>THEORY</b>	<b>MARKS 100</b>
<b>SEMESTER: I</b>	<b>CREDITS: 5</b>	<b>TOTAL HOURS: 6</b>

### **Unit-I**

Theory of Demand – Axiomatic approach, Demand functions, Consumer behavior under conditions of uncertainty. Theory of production – Collusive and non-collusive oligopolies. Different models of objectives of the firm – Baumol, Morris and Williamson Factor pricing. General equilibrium and Welfare Economics.

### **Unit – II**

Keynesian and post-Keynesian approaches to theory of output and employment; concept of investment multiplier; consumption hypotheses. Theories of investment and accelerator. Theories of demand for money – Keynesian and post-Keynesian. Different approaches to money supply; money supply; components and determinants; money multiplier. Output – price determination (aggregate supply and aggregate demand curve analysis) Fleming – Mundell open economy model.

### **Unit-III**

Development and Growth – Role of institutions. Theories of growth and development – Models of growth of Joan Robinson and Kaldor; Technical Progress – Hicks, Harrod and learning by doing, production function approach to the determinants of growth: Endogenous growth: role of education, research and knowledge – explanation of cross country differentials in economic development and growth. Theories of development – Classical, Marx, Schumpeter and structural analysis of development – Imperfect market paradigm, Lewis model of development, Ranis-Fei model, Dependency theory of development. Factors in economy development – natural resources, population, capital, Human Resource Development and infrastructure. Trade and development – trade as engine of growth, two-gap analysis, Prebisch, Singer and Myrdal views; gains from trade and LDCs.

### **Unit-IV**

Theories of taxation, types, incidence and effects - Theories of public expenditure – effects on savings, investment and growth Burden of Public debt Union Finance – Trends in Revenue and Expenditure of the Government of India – State finance – trends in Revenue and Expenditure of the State Governments Public Debt – India’s Public debit since 1951 – growth composition,

ownership pattern and debt management - Union – State Financial Relations – Horizontal and vertical imbalances; the Finance Commissions Fiscal Policy and Fiscal Reforms in India

### **Unit-V**

Monetary approach and adjustment in the balance of payments - Regional blocs – multilateralism and world trading system - The Political Economy of imposition of non-tariff barriers - International trade under conditions of imperfect competition in goods market- Theory of International reserves - Optimum Currency Areas – Theory and impact in the developed and developing countries- WTO and its impact on the different sectors of the economy.

### **REFERENCES:**

1. Pindyck, R.S., Rubinfeld, D.L. and Mehta, P.L., (2015), 'Microeconomics', 8<sup>th</sup> edition, Prentice Hall.
2. Varian, Hall R. (1992), 'Microeconomic Analysis' 3<sup>rd</sup> edition, W.W. Norton & Company, New York.
3. Romer, D., (2001), 'Advanced Macroeconomics', 2<sup>nd</sup> edition, McGraw-Hill.
4. Chelliah, R.J., (1996), 'Towards Sustainable Growth: Essays in Fiscal and Financial Sector Reforms in India', Oxford University Press.
5. Krugman, R., and Obstfeld, M., (2013), 'International Economics: Theory and Policy', Pearson Education.
6. Ray, D., (2013), 'Development Economics', Oxford University Press.
7. Salvatore, D., and Reed, (2013), 'International Economics' 11<sup>th</sup> edition, Wiley.
8. Todaro, M.P. and Smith, S.C., 'Economic Development', 8<sup>th</sup> edition, Pearson.
9. Government of India, Ministry of Finance, "Finance Commission Report (latest Issue).
10. Kapila, U. (2015), 'Indian Economy since Independence', Academic Foundation.

## **ELECTIVE: SPECIALIZATION PAPER: ENVIRONMENTAL ECONOMICS**

<b>SUBJECT CODE: 17LECO03</b>	<b>THEORY</b>	<b>MARKS 100</b>
<b>SEMESTER: I</b>	<b>CREDITS: 5</b>	<b>TOTAL HOURS: 6</b>

**UNIT – I: Introduction:** Economy-environment interaction; Material Balance Principle; entropy law; market failure; property rights; open, closed and common access resources; resource economics – environmental economics – ecological economics: characteristics and synergy

### **UNIT – II: Environment vs Development**

Relation between development and environmental stress; Environmental Kuznet's curve hypothesis – theory and empirical evidence; concept of sustainable development; indicators of sustainability; various approaches to environmental accounting

### **UNIT – III: Public Goods and Externalities**

Externalities – positive, negative and ecosystem externalities; Market failure; Public goods and bads – characteristics, categories; efficient provision of public goods and bads; Pricing of public goods and bads; Non-exclusion and commons - Pigouvian solution – taxes and subsidies; Buchanan's theory; Coase's theorem and its critique; Pigouvian vs Coasian solution; detrimental externality and non-convexities in the production set; Property rights; collective action.

### **UNIT – IV: Resource Economics**

Exhaustible Resources – Hotelling's rule; Market structures and optimal extraction policy; Exploration; Resource scarcity; Renewable Resources – Characteristics of growth functions and growth rate; Economic models of fisheries; Economics of optimal harvest cycles of forests; Economics of biodiversity

### **UNIT – V: Environmental Regulation in India**

Evolution of environmental policy in India; Air and water Acts; fiscal incentives; enforcement and implementation issues; emerging options – eco-taxes and eco-subsidies; case studies on pollution control in India



## **REFERENCES:**

1. Kolstad, C., Intermediate Environmental Economics, Oxford University Press, 2012 (2<sup>nd</sup> Edition)
2. Kolstad, C., Environmental Economics, Oxford University Press, 2000.
3. Hanley, N., J.F. Shogren, and B. White, Environmental Economics: In Theory and Practice, Oxford University Press, 2006.
4. Prato, T., Natural Resource and Environmental Economics, Wiley-Blackwell, 1999.
5. Grafton, Q., Adamowicz, W., Dupont, D., Nelson, H., Hill, R.J., Renzetti, S., The Economics of Environment and Natural Resources, Wiley-Blackwell, 2004.
6. Perman, Roger, Yue Ma, Michael Common, David Maddison, James Mcgilvray, Natural Resource and Environmental Economics – 4th Edition, Pearson, 2012.
7. Conrad, J.M. and C. Clark, Natural Resource Economics – Notes and Problems, Cambridge University Press, 1987.
8. Conrad, J.M. Resource Economics, Cambridge University Press, 2010.

**Note:** Question paper set by individual guide and common examination under the guidelines of COE.

## **THESIS WORK**

Research topic is assigned by the individual guide with discussion of Research Scholar.