

COURSE STRUCTURE AND SYLLABUS

M.Phil. Economics

2015-16

**Central University of
Punjab Bathinda-151001**

Centre for Economic Studies

M.Phil.					
Semester- I					
Cours e Code	Course Title	Credit Hours			
		Theory	Practic al	Research	Tota l
DVE.601	Research Methodology	5	-	-	5
DVE.602	Computer Applications	4	-	-	4
DVE.603	Economics of Development and Planning	3	-	-	3
DVE.604	Advanced Economic Theory	3	-	-	3
DVE.652	Computer Applications- Practical	-	1	-	1
DVE.699	Seminar in Development Economics	1	-	-	1
	Total	16	1	-	17
Semester- II					
DVE.605	Empirics of Growth	5	-	-	5
Optional : select any two of the courses listed below					
DVE.621	International Economics	5	-	-	5+5
DVE.622	Current Issues in Indian Economy	5	-	-	
DVE.623	Sectoral Issues in Economic Development	5	-	-	
DVE.624	World Economy	5	-	-	
DVE.699	Seminar in Development Economics	1	-	-	1
	Total	16	-	-	16
Semester-III					
DVE.600	Dissertation Research	-	-	16	16
	Grand Total	32	1	16	49

Semester I

DVE. 601: Research Methodology.

Credit hours: 5.

Unit: I

General principles of research: Meaning and importance of research, Critical thinking, Formulating hypothesis and development of research plan, Review of literature, Interpretation of results and discussion.

Technical writing: Scientific writing, Writing research paper, Poster preparation and presentation and Dissertation.

Library: Classification systems, e-Library, Reference management, Web-based literature search engines.

Research and Academic Integrity: Copyright issues, Conduct of ethical research, Belmont report and Plagiarism in research

Unit: II

Methods of research in Economics: Selection of appropriate method for data collection; Observation method; Construction of schedule/questionnaires, Interview method, Guidelines for successful interviewing.

Sampling techniques: Simple random sampling; PPS sampling; Stratified random sampling; Multistage sampling (applications only). Testing of hypotheses: Sampling distributions, Properties of T, F and χ^2 distributions and tests based on these distributions. Univariate one-way analysis of variance. Multivariate normal distribution: Its properties without proof; One way multivariate analysis of variance, Fisher's linear discriminant analysis. Principal component analysis and Factor analysis (basic conceptions only).

Unit: III

Model formulation and specification of general regression model: Problem of estimation and inference; Pooling of cross sectional and time series data. Regression with dummy explanatory variables. Regression with dummy dependent variables-The probit and logit models. Lagged models: The Koyck model, Nerlove's partial adjustment and The Almon (Polynomial) model.

Unit: IV

Time series forecasting: Box Jenkins based AR, MA and ARMA. Models; Causality analysis, Concepts of stationarity, unit root, cointegration. Simultaneous equations models: Identification problems; rank and order conditions. Indirect least squares (ILS) and Two state Least squares (2SLS), Methods of estimation.

Suggested readings:

1. Anderson, T.W. (2003). *An Introduction to Multivariate Statistical, Wiley Series in Probability and Statistics.*
2. Goon ,A.M. ,Gupta M.K. and Gupta B. D. (1994). *An Outline of Statistical Theory, World Press.*
3. Gorsuch, R. L. (ed.) (1983). *Factor analysis .Hillsdale, NJ: Erlbaum.*
4. Gujrati, D. (ed.) (2011). *Basic Econometrics.* Tata McGraw-Hill, New Delhi.
5. Harman, H. H. (1976). *Modern Factor Analysis.* The University of Chicago Press, Chicago.
6. Johnston, S. (1972). *Econometric Methods.* Tata McGraw-Hill, New Delhi.
7. Kothari, R. and Hatt, K.L. (2010). *Methods in Social Research.* Tata McGraw-Hill, New Delhi.
8. Koutsoyannis, A. (2005). *A Theory of Econometrics.* Macmillan, London.
9. Kumar, P., Singh, D. and Singh P. (1978). *Handbook of Sampling Methods.* IASRI, New Delhi.
10. Richard, H.J. (1975). *A Primer of Multivariate Analysis, Academic press, New York.*

DVE.602: Computer Applications. Credit hours: 4.

Unit I

Fundamentals of computers: Parts of computers, Hardware, BIOS, Operating systems, Binary system, Logic gates and Boolean Algebra.

Application software: Spreadsheet applications, Word-processing applications, Presentation applications, Internet browsers, Reference Management, and Image processing applications.

Unit II

Computer Language: Basic DOS commands, AutoHotKey scripting language, HTML and basic structure of a webpage, Designing websites.

World Wide Web: Origin and concepts, Latency and bandwidth, Searching the internet, Advanced web-search using Boolean logic, Cloud computing.

Unit III

Use of computers in social science: Theorising and representing social and economic data; Simulating, modelling and planning; Bibliographic retrieval and literature review; Data analysis in the computer; Computer assisted qualitative data analysis software, using internet for social science research.

Unit IV

Use of statistical techniques in data analysis: Introduction to statistical and Econometric programmes- survey authoring, data mining, text and statistical analysis; use of excel and simple statistical-econometric package.

Suggested readings:

1. Bhatt, P. (2003). *An Introduction to Operating Systems: Concepts and Practice.* PHI Learning Pvt. Ltd, Delhi.

2. Douglas, G. and Connell, M. (ed.) (2007). *Fundamentals of MS Office 2007*. Kendall Hunt Publication Company, Dubuque.
3. Jamsa, Kris, A. (1988). *DOS, The Pocket Reference*. Osborne McGraw-Hill, New Delhi.
4. Murdock, E.E. *DOS, The Easy Way*, Easy Way Downloadable Books.
5. Narang, R. (2006). *Database Management System*. PHI Learning Pvt. Ltd, Delhi.
6. Rajaraman, V. (2003). *Fundamentals of Computers*. PHI Learning Pvt. Ltd., Delhi.
7. Semprevivo, P. C. (2008). *Systems Analysis, Definition, Process, and Design*, Science Research Associates, The University of California.
8. Silberschatz, Abraham, and Peter, B. G. (ed.) (1994). *Operating System Concepts*. Addison Wisely, London.
9. Tanenbaum, Andrew S. (2003). *Computer Networks*. Prentice Hall PTR, New Delhi.

DVE.603: Economics of Development and Planning. Credit hours: 3.

Unit: I

Economic development: Measurement and international comparison; Convergence debate, Dualistic models with unlimited Supply of Labour: Todaro, Lewis, Ranis and Fei implications, Labour Surplus in Agriculture: their measurement and use.

Unit: II

Strategies of development: Balanced vs. Unbalanced Growth, Schumpeter, Rosenstein- Rodan, Nurkse, Hirschman and Leibenstein versions, Empirical testing of Balanced vs Unbalanced Growth; Foreign Investment and Development.

Unit: III

Growth models: Classical; Karl Marx; Schumpeter; Harrod-Domar, Neo-Classical (Solow- Swan), Human Capital: Meaning, measurement, processes and returns to investment, Endogenous Growth Models (Lucas & Romer), Optimal Growth Models.

Unit: IV

Planning for development: Rationale in liberalized regime, Types; Two Gap Model; Consistency and optimization in plans; Plan implementation and evaluation, Investment Criteria; Trade and Development: Dependency Theory; Prebisch-Singer and Myrdal views; Trade Policy: Import Substitution vs. Export Promotion; LPG policy for Economic Development.

Suggested readings:

1. Barro, and Martin (1995). *Economic Growth*. Mc-Graw Hills, New York.
2. Eckaus, R.S, and Parik, K.S. (1972). *Planning for Growth*. Mit Press, Cambridge.
3. Griffin, K.B., and Enos, J.L. (1970). *Planning Development*. Addison Wisely, London.
4. Meier, G. M. (ed.). (2005). *Learning Issues in Economic Development*. Oxford University press, New Delhi.

5. Sen, A.K. (eds.) (1999). *Growth Economics*. Penguin, New Delhi..
6. Singh, S.P. (ed.). *Underdevelopment to Development Economics*, Oxford University press New York.

7. Thirlwall, A.P. (ed.) (2008). *Growth and Development with special reference to Developing Countries*. Palgrave MacMillan, London.
8. Todaro, M.P. (2008). *Economic Development in the Third World*. Pearson Press, India.
9. Todaro, R. (2008). *Development Planning, Models and Methods*. Pearson Press, India.
10. Yotopoulos, P. A. and Nugent, J. B. (1976). *Economics of Development: Empirical Investigations*. Harper and Row Publishers, New York.

DVE.604: Advanced Economic Theory. Credit hours: 3.

Unit I

Contemporary pricing practices and strategies - Role of costs and profitability in pricing Decisions. Product Life Cycle Pricing, Product Line Pricing, New Product Pricing, Pricing of Services, Actual Price Fixation: Case Studies. Economics of Risk and Uncertainty: Individual Behaviour towards Risk, Risk and Risk Aversion - Sensitivity Analysis, Optimal Consumption and Competitive Firm under Uncertainty.

Unit II

Welfare economics: Pareto-Optimality for a Public vs Private Good, Externalities, their importance and market failure; Ways of correcting market failure; Social Welfare Function; Markets with asymmetric information: Hidden Characteristics, Adverse selection and moral hazard in insurance, banking, labour markets and second hand product markets.

Unit III

General theory and the classical system: Comparative static in closed economy: Interaction of real and monetary sectors. Unemployment and labour market: Three sector macro model; Theories of Consumption, Liquidity Preference; Finance Motive and Interdependence of Real and Monetary Factors; Crowding-Out effect.

Unit IV

Inflation and unemployment: Trade-off, Expectations Augmented Phillip's Curve. Keynesian-Monetarists Controversy, Rational Expectations Hypothesis, Real Business Cycle theory, New-Keynesian Economics.

Suggested readings:

1. Abel, A. B. & Ben, S. B. (2003). *Macroeconomics*. Pearson Education, Singapore.
2. Arnold, A. R. (ed.) (1998). *Macro Economics*. International Thomson Publishing Company, Cincinnati, Ohio, USA.
3. Arrow, K.J. and Intrilligator, M.D. (ed.) (1981). *Handbook of Mathematical Economics, Vol 1*. North Holland, Amsterdam.
4. Borch, K.H. (1968). *The Economics of Uncertainty*. Princeton University Press, Princeton.
5. Briet, W. and Hochman, H.M. (ed.).(1968). *Readings in Microeconomics*, Holt, Rinehart and Winston Publishing House, New York.
6. Davidson, P. (1996). *Post-Keynesian Macro Economic Theory*. Edgar Holt,

Rinehart and Winston, Inc. New York.

7. Diamond and Rothschild. (ed.) (1978). *Uncertainty in Economics*. Academic Press, New York.
8. Dornbusch, R., Fischer, S., and Startz, R. (ed.) (2002). *Macro Economics*. Tata McGrawHill Publishing Company Limited, New Delhi.
9. Froyen, R. T. (1998). *Macroeconomics, Theories and Policies*. Prentice Hall International Inc, London.
10. Jha, R. (1991). *Contemporary Macro Economic Theory and Policy*. Wiley Eastern, New Delhi.
11. Katz, M. L. and Rosen, H. S. (ed.) (1994). *Microeconomics*, McGraw-Hill, New Delhi. Kreps, D. (1990). *A course in Microeconomics Theory*. Princeton.
12. Levacic, R. (ed.) (1986). *Macro Economics, the Static and Dynamics Analysis of a Monetary Economy*. ELBS.
13. Pindyck, R.S, and Rubinfeld, D.L. (ed.) (1996). *Microeconomics*. PH, New Delhi.
14. Romer, D. (1996). *Advanced Macro Economics*. McGrawHill, New Delhi.

DVE.652: Computer applications-Practical. Credit hour:

1. DVE.699: Seminar in Development Economics. Credit

hour: 1.

Semester II

DVE.605: Empirics of Growth. Credit hours: 5.

Unit I

Neo-classical growth theory and empirics: Sources of Growth, De Composing Growth, Pro Poor Globalization, Theory of Convergence and Divergence: Barro and Sala-i-Martin, Lucas Paradox.

Unit II

The theory of optimal growth one sector models: The AK Model, Theory Empirics, The Scale Effects Debate, Two Sector Models: Human Capital Empirics Expanding Varieties, Quality Ladders, An Introduction to Overlapping Generation Models.

Unit III

Poverty and Inequality: Theory, Measurement, empirical evidence; New Schumpeterian Models: Models with Symmetric Firms, Models with Heterogeneous Firms, empirical work on Firm Size Distribution and Growth, General Purpose Technologies (GPTS)

Unit IV

Growth in different aspects: Relation between Trade and Growth, Finance and Growth, Population and Growth, Innovation and Growth, the Theory of Optimal Growth, Human Capital Accumulation; O-Ring Theory; Global Competitive Index.

Suggested readings:

1. Aghion, P. and Howitt, P. (1997). *Endogenous Growth Theory*. MIT Press, Cambridge.
2. Aghion, P. and Steven, N.D. (2006). *Handbook of Economic Growth*. North Holland.
3. Baro, R. J. and Martin, X. S. (1995). *Economic Growth*. McGraw-Hill, New York.
4. Durlauf, S., Johnson P. and Temple J. (2005). *Handbook of Economic Growth*, Elsevier, Amsterdam.
5. Gandolfo, G. (1997). *Economic Dynamics*. Berlin, New York.
6. Grossman, G. and Helpman, E. (1993). *Growth and Innovation in Global Economy*. MIT Press, Cambridge.
7. Helpman, E. (ed.) (1998). *General Purpose Technologies and Economic Growth*. MIT Press, Cambridge.
8. Romer, D. (2004). *Advanced Macroeconomics*. Macgraw Hill, New York.

Optional : select any two of the courses listed below

DVE.621: International Economics. Credit hours: 5.

Unit I

Theory of trade: Classical, Neo-Classical and Modern; New approaches to trade theory: Product Cycle Theory; Technology Gap Theory; Causes of emergence and measurement of intra-industry trade.

Unit II

Third world and trade development: Theory of Rybczynski, Theory of Immiserization. GATT / WTO, Trading in goods, services, and intellectual ownership – UNCTAD; Terms of Trade : Tariff and trade, Stolper Samuelson Theory. Non Tariff Barriers and Trade Agreements. Deterioration of terms of trade: A critical review theory of tariff: Effects of tariff on balance of payments, Political economy of non-tariff barriers; Regionalism and Multilateralism; Various forms of economic integration: Theory of Customs Union.

Unit III

Exchange rate determination: Currency devaluations, exchange rate fluctuations and their impact Capital inflows : Technology transfer, Import substitution and export promotion. Open economy and general equilibrium, International Institutions: IMF and

World Bank. North–South Dialogue, Balance of Payments :Measures to restore equilibrium in balance of payments; Monetary approach to exchange rate.

Unit IV

Current issues in international trade: WTO ,Doha Round ,International Cartels with special reference to OPEC and oil price ,Trade and Energy Security ,Convertibility of currency: current account and capital account convertibility,Analysis of FDI And FPI; International Trade Policy, The Theory of International Finance, Open Economy Policy Analysis,

Currency Crisis.

Suggested readings:

1. Bhagwati, J.N. (1998). *International Trade*. McMillan University Press, New York.
2. Clement Mpfister, R.L. and Rothwell, K.J. (1967). *Theoretical Issues in International Economics*. Constolete and Company Ltd.
3. Ellsworth, P.T. and Clark, J.L. (1975). *The International Economy*. McMillan Press, London.
4. James C. and Robert, M. (2004). *International Economics*. John Wiley & Sons. Inc., Dunn.
5. Jones, R.W. and Kenen, P.B. (2003). *Handbook of International Economics*. Elsevier ,Amsterdam.
6. Krugman, P.R. and Obstfeld, M. (2000). *International Economics Theory and Policy*. Addison-Wesley, London.
7. Mia, M. (1998). *International Trade*. Macmillan Press, London.
8. Peter, H.L. (1969). *International Economics*. N.J. Princeton University Press, Princeton.
9. Salvatore, D. (2004). *International Economics*. John Wiley & Sons Inc, Dunn.
10. Shenkar, O. and Yadong, L. (2004). *International Business*. John Wiley & Sons Inc, Dunn.
11. Sodersten, B.O. and Geoffery,R.(1994). *International Economics*. McMillan, London.

DVE.622: Current Issues in Indian Economy. Credit hours: 5.

Unit – I

Structural changes and growth of indian economy: Output; Employment and Productivity Growth, Factors in Growth, Growth and Inequalities, Saving-Investment Patterns, Employment Strategy.

Unit – II

Agricultural sector: Production and Productivity Trends; Regional Variations in Agricultural Productions; Pricing of Agricultural Input and Output; Issues in Food Security; WTO and Sustainable Agricultural Development.

Unit – III

Industrial sector: Structural Transformation; Performance and Recent Policy Initiatives; Public–Private Partnership; Industrial Finance in India.

Unit – IV

Foreign sector: Globalization; GATT and WTO, Current efficiency of regional trade and economic groupings; Contradictions; Global Meltdown; International Debt Crisis Current Developments in Environmental Conventions, Protocols and Resolutions-Industrial Competitiveness in the context of MNC's and Business Practices.

Suggested readings:

1. Ahluwalia, I.J. (1985). *Industrialization Growth in Indian Stagnation since Mid 60*. Oxford University Press, New Delhi.
2. Brahamanda, P.R. and Panchmukhi, V.R. (Ed.) (1987). *The Development Process of the Indian Economy*. Himalaya Publishing House, Bombay. , Dunn
3. Dantwala, M.L. (1991). *Indian Agriculture Development since Independence*. Oxford, IBH Pub. Co., New Delhi.
4. Dhalapia, B.H. (1974). *Sources of Economic Growth in India, Good Companions, India*.
5. Jalan, B. (Ed.) (2004). *The Indian Economy Problems and Prospects*. Penguins, New Delhi.
6. Kapila,U. (Ed.) (2009). *Indian Economy since Independence*. Acedemic Foundation, New Delhi.
7. Prasad, K.N. (2003). *Indian Economy Before and Since the Reform*. Atlantic Publication, New Delhi.
8. Rao, C. H. and Hanumant, C.H. (1980). *Technological Change and Distribution of Gains in Indian Agriculture*. Mittal publication, New Delhi.

DVE.623: Sectoral Issues in Economic Development. Credit hours: 5.

Unit :I

Sectoral aspects of development: Role of Agriculture in Economic Development; Efficiency and Productivity in Agriculture, New Technology and Sustainable Agriculture; Globalization and Agricultural Growth; Rationale and Pattern of Industrialization in Developing Countries; The Choice of Techniques and Appropriate Technology and Employment; Efficiency of Small-Scale vs. Large-Scale Production; Terms of Trade between Agriculture and Industry; Infrastructure and Its Importance; Labour Markets and their Functioning in Developing Countries

Unit :II

Trade and economic development: International Trade as Engine of Growth; Static and Dynamic Gains From Trade; Prebisch, Singer and Myrdal Thesis vs. Free Trade; Export- led Growth; Dual Gap Analysis; Balance of Payments; Tariffs and Effective Protection; Post-GATT International Economic Order; WTO and Developing Countries.

Unit :III

Macroeconomic policies and development: Role of Monetary and Fiscal Policies in Developing Countries – Prior Savings, Inflation and Growth – Empirical Evidence;

External Resources – FDI, Aid Vs. Trade, Technology Inflow; MNC Activity in Developing Countries; Borrowings – Domestic and External; Burden of Borrowing – IMF and World Bank Policies in Developing Countries.

Unit: IV

Allocation of resources: Need for Investment Criteria in Developing Countries – Present vs. Future, Alternative Investment Criteria's; Cost-Benefit Analysis, Shadow Prices, Project Evaluation and UNIDO Guidelines.

Suggested readings:

1. Adelman, I. (1961). *Theories of Economic Growth and Development*. Stanford University Press, Stanford.
2. Behrman, S. and Srinivasan, T. N. (1995). *Handbook of Development Economics. Vol. 3(set) 1st Edition, North Holland*.
3. Chakravarti, S. (1982). *Alternative approaches to the Theory of Economic Growth*. Oxford University Press, New Delhi.
4. Chakravarti, S. (1987). *Development Planning, The Indian Experience*. Clarendon Press, Oxford.
5. Chenery, H. and. Srinivasan, T.N. (Eds.) (1989). *Handbook of Development Economics, vols. 1 & 2*. Elsevier, Amsterdam, Netherland.
6. Ghatak, S. (1986). *An Introduction to Development Economics*. Allen and Unwin, London.
7. Gimmell, N. (1987). *Surveys in Development Economics*. Blackwell, Oxford.
8. Higgins, B. (1959). *Economic Development*. W. W. Norton, New York.
9. Hirsch, A. O. (1958). *The Strategy of Economics Development*. Yale University Press, New York.
10. Hogendorn, J. (1996). *Economic Development*. Addison- Wesley, New York.
11. Kindleberger, C. P. (ed.) (1977). *Economic Development*. McGraw Hill, New York.
12. Kuznets, S. (1971). *Economic Growth of Nations, Total Output and Production Structure*. Harvard University Press, Cambridge.
13. Meier, G. M. (ed.) (1995). *Leading Issues in Economic Development*. Oxford University Press, New Delhi.
14. Myint, H. (1965). *The Economics of Underdeveloped Countries*. Preager, New York.
15. Nayyar, D. (Ed.) (1994). *Industrial Growth and Stagnation, the Debate in India*. Oxford University Press, New Delhi.
16. Ranis, G. and Mahmood, A. (1992). *Political Economy for Development*. Blackwell, Cambridge Mass.
17. Sen, A. K. (ed.) (1990). *Growth Economics*. Penguin, Harmondsworth.
18. Therberge, J. D. (Ed.) (1968). *Economics of Trade and Development*. John Wiley, New York.
19. Todaro, M. P. (1971). *Development Planning; Models and Methods*. Oxford University Press, Oxford.
20. United Nations (1994). *Human Development Report*. United Nations, New York.

DVE.624: World Economy. Credit hours: 5.

Unit: I

Concepts and theories: Evolution of Mercantilism, Liberalism, Marxism.

Unit: II

Global economy and institutions: Bretton Woods System, IMF, GATT and WTO, European Bank for reconstruction and development, Asian Development Bank.

Unit: III

Role of developed world in world economy: Deficits and dollar, Currencies and competitiveness, Currency crisis and IMF, International finance and developing world, The politics of trade: Multilateralism and the environment preferential trade areas, Foreign direct investment and international strategy, National policies and labour issues.

Unit: IV

International taxation and transfer pricing: Global financial crisis, International financial management emerging market, Trade and finance

Suggested readings:

1. Easterly, W. (2002). *The Elusive Quest for Growth, Economists Adventure and Misadventure in the Tropics*. MIT Press, Cambridge.
2. Eun, C. and Resnick, B. (ed.) (2008). *International Financial Management*. McGraw-Hill, New Delhi.
3. Krugman, P. (ed.) (2008). *The Return of Depression Economics and the Crisis of 2008*. Penguin Books India, India.
4. Krugman, P. and Obstfeld, M. (ed.) (2008). *International Economics, Theory and Policy*. Pearson Education Company, New Delhi.
5. Miles, D. and Scott, A. (2008). *Macroeconomics: Understanding the Wealth of Nations*. Wiley Press, New York.

**DVE.699: Seminar in Development Economics.
hours: 1.**

Credit

Semester – III

DVE.600: Dissertation. Credits:16.