

Central University of Karnataka

School of Business Studies

Department of Economic Studies and Planning

SYLLABUS FOR IMA ECONOMICS

As per New Choice Based Credit System 2016 August

SEMESTER I

Paper Code	Paper Title	Credits				Examination		Total Marks
		L	T	P	Total	IA	End Sem	
	Core							
UCC-3	Introductory Macroeconomics	5	1	-	6	25	75	100
UCC-4	Basic Statistics	4	-	2	6	25	75	100
	Ability Enhancement Compulsory Courses							
UAECC-2a	English/Hindi/Kannada	1	1	-	2	25	75	100
UAECC-2b	Environmental Science	1	1	-	2	25	75	100
	Generic Elective (other department students)							
UGE-2	Introduction to Indian Economy	5	1	-	6			
	Health Economics	5	1	-		25	75	100
	Economics of Education	5	1	-				
	Total Credits				22			

Note: CC-Discipline Specific Core; DSE-Discipline Specific Elective, GE-Generic Elective; AECC-Ability Enhancement Compulsory Course; SEC-Skill Enhancement Courses; L-Lecture; T-Tutorial; P-Practical; IA- Internal Assessment; End Sem – End semester written exam

IMA II: UCC-3: INTRODUCTORY MACRO ECONOMICS (6 Credits)

Aim of the Course: The aim of the course is to enlighten the students with role of macroeconomics in an economy and familiarize them with the behaviour of the aggregate variables at national level.

Unit 1: Nature and Scope of Macro Economics

Definition of macroeconomics - Components of macroeconomics - Major issues and concerns of macro economics - Differences between macro and micro economics - Macroeconomic policy -its objectives and instruments.

Unit 2: National Income and Social Accounting

Concepts, Components and Measurement - Basic Circular Flow of Income Model – Circular flow of income for closed and open economy –Green Accounting

Unit 3: Classical theory

Classical theory - assumptions- demand and supply of labour - Says law of market –Savings, investment and rate of interest- equilibrium level of employment- classical dichotomy- Quantity theory of money- Fisher's approach, Cambridge approach

Unit 4: Keynesian theory

Keynesian theory of income and employment –Difference between classical and Keynesian assumptions- Labour market-real wages-marginal propensity to consume-Multiplier-Consumption function - Investment function – Marginal efficiency of capital-Theory of money-Demand for money-Liquidity preference-Liquidity trap-equilibrium in the money market

Unit 5: Inflation and Business Cycles

Inflation and Deflation – Meaning, Causes and effects – Theories on inflation-Classical-Keynesian-Modern theories on inflation-Nature and features of Business cycle – Phases of business cycles - Keynesian theory of trade cycle - Control of business cycle.

Compulsory Reading

Bhaduri, Amit (2000): Macroeconomics (Revised Indian Edition): The Dynamics of Commodity Production, Mc Millan

Snowdon, Brian and Howard R Vane (2005): Modern Macroeconomics: Its Origin, Development and Current State, Edward Elgar

Other Reading List

Ackeley G. (1978): Macro Economics: Theory and Policy, McMillan, New York.

Branson, W.A. (1989): Macro Economic Theory and Policy, Harper and Row, New York.

Dornbusch, R and F. Stanley (1997): Macro Economics, McGraw Hill, New York.

Edward Shapiro (1996): Macro Economic Analysis, Galgotia Publications, New Delhi.

Errol D'Souza (2009): Macroeconomics, Pearson Publishers.

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IMA II: UCC-4: BASIC STATISTICS (6 Credits)

Aim of the Course: The aim of the course is to provide basic inputs of applied statistics and application of statistical tools in applied economics.

Unit 1: Sampling

Sources of Data - Primary and Secondary Data - Schedules and Questionnaires - Meaning of Sampling and Sampling Techniques – Types of Sample - Tabulation and Frequency Distribution-

Unit 2: Measures of Central Tendency

Types of average - Arithmetic mean - Discrete series - Continuous series - Open ended classes – Properties - Weighted Arithmetic mean – Median - Discrete series - Continuous series – Quartiles – Percentiles – Mode - Geometric mean - Harmonic Mean.

Unit 3: Measures of Dispersion

Significance of measuring variation - Quartile deviation - Mean deviation continuous series - The standard deviation - The standard deviation - Lorenz curve.

Unit 4: Correlation Analysis

Types of Correlation - Scatter diagram method - Graphic method - Karl Pearson's co-efficient of correlation—Direct method - Correlation of grouped data - co-efficient of correlation and Probable error-Co-efficient of Determination - Rank correlation coefficient - Spearman's correlation coefficient - Concurrent deviation method - Partial and multiple correlation.

Unit 5: Index numbers

Index Numbers - Problems in the Construction of Index Numbers - Laspeyres', Paasche's and Fischer's Ideal Index Numbers - Wholesale Price Index Numbers and Cost of Living Index Numbers.

Compulsory Readings

S. C. Gupta (1982): Fundamentals of Statistics, Himalaya Publishing House, Bombay.
S. P. Gupta (2000): Statistical Methods, S. Chand & Company, New Delhi.

Other Reading List

B. N. Gupta (1992): Statistics Theory and Practice, Sahitya Bhavan, Agra.
Goon AM, M. K. Gupta and B. Dasgupta (1975): Fundamentals of Statistics, Vol.1, The World Press, Ltd, Calcutta.
Nagar, A.L. and R. K. Das (1996): Basic Statistics, Oxford University Press, New Delhi.

IMA II: UGE-2: INTRODUCTION TO INDIAN ECONOMY (6 Credits)

Aim of the Course: The aim of the course is to familiarise the students with the basic tenets of Indian economy. More emphasis would be on overall social, political and economic changes, and the influence of international institutions on Indian Economic Development.

Unit 1: State and Evolution of Indian Economy

Basic features of Indian economy during British period and after Independence - Sectoral share and composition of national income - Demographic trends and its effect on development - Occupational structure of labour force - Main features and achievements.

Unit 2: Different Sectors of Indian Economy

Agriculture: Growth and Importance - Problems of Agriculture sector - Trends in products and productivity of food and non- food crops - Land Reforms - Agriculture finance and marketing - Green revolution - its feature and implications - PDS – TPDS Industry - Industrial Sector composition and policies, Service : Growth of Infrastructure facilities and service sector.

Unit 3: Development and Poverty Alleviation:

Population Dynamics - Occupational structure and prevalence of Poverty - Indicators of poverty - Health, education and employment - Various social safety net programmes initiated by Government.

Unit 4: Globalisation, Privatization and Liberalisation

Impact on India's BOP – Problems and solutions - Trends, Composition and Direction of India's foreign trade - New trade policy - WTO and India.

Compulsory Reading

Uma Kapila (2014): Indian Economy since Independence, Academic Foundation.

Other Reading List

Jagdish Bhagwati, (1993): India in Transition, Freeing the Economy, Clarendon Press, Ch.2.

Jean Dreze and Amartya Sen, (2002): India Development and Participation, OUP, Selected chapters.

Montek S. Ahluwalia, (2002): State-level Performance under Economic Reforms in India.

Pranab Bardhan (2003): Poverty, Agrarian Structure and Political Economy in India: Selected Essays, OUP, Ch.5. Economic Survey, Government of India.

Alam, K. (1993): Agricultural Development in North East India: Constraints and Prospects, Deep & Deep Publications, New Delhi.

IMA II: UGE-2: HEALTH ECONOMICS (6 Credits)

Aims of the Course: It aims to provide an overview of basic concepts and issues relating to health economics. It also tries to highlight the importance of health sector in the process of economic development.

Unit 1: Role of Health in Human Development

Importance in poverty alleviation; health outcomes and their relationship with macroeconomic performance

Unit 2: Concepts of Health

Health and Economic Development - Basic concepts of health – Nutrition – Malnutrition – Wasted- Stunted - Chronic energy deficiency - Dietary patterns – Anaemia – Hunger - Birth rate - Death rate - Fertility Rate - Infant Mortality Rate (IMR) - Maternal Mortality Rate (MMR) - Life expectancy.

Unit 3: Micro Foundations and Issues of Health Economics in India

Demand for health; uncertainty and health insurance market; alternative insurance mechanisms; market failure and rationale for public intervention; equity and inequality.

Unit 4: Evaluation of Health Programs in India

Costing, cost effectiveness and cost-benefit analysis; burden of disease. 4. Health Sector in India: An Overview Health outcomes; health systems; health financing, -and RSBY

Unit 5 : Health Sector in India

National health policies of India - Regional disparities in health sector - Variations in health sector - Across different social groups, age groups, religious groups and gender groups - Health statistics at aggregate and regional level- Health Infrastructure and Delivery Systems in India

Compulsory Reading

William, Jack, Principles of Health Economics for Developing Countries, World Bank Institute Development Studies, 1999.

World Development Report, Investing in Health, The World Bank, 1993.

Other Reading List

Strauss, J and D, (1998): Health, Nutrition and Economic Development, *Journal of Economic Literature*, 36.

Cutler, D et al., (2006): The Determinants of Mortality, *The Journal of Economic Perspectives*, 20 (3).

Smith, J, (1999): Health Bodies and Thick wallets: The dual relation between Health and Economic Status, *The Journal of Economic Perspectives*, Vol.13 (2).

Acemogulu, D and S. Johnson (2007): Disease and Development: The effect of Life expectancy on Economic Growth, *Journal of Political Economy*, 115 (6).

Glewwe, P, (1999): Why does mother's schooling raise child health in developing countries? Evidence from Morocco, *Journal of Human Resources*, 34(1).

Berman, P (1995): Health sector reform in developing countries: Making health development sustainable, Boston: Harvard series on population and international health.

Frank R G, (2004): Behavioural Economics and Health Economics, NBER working paper 10881, October 2004.

Gertler, P, Gruber J, (2002): Insuring consumption against illness, *American Economic Review*, 92 (1).

IMA II: UGE-2: ECONOMICS OF EDUCATION (6 Credits)

Aim of the course: This course will introduce students to the concept of economic education to analyze issues related to the education. And provide the opportunity to discuss the positive and normative aspects of educational economics, techniques that are used to value the education, and approaches -- such as regulation and incentive-based programs, policies -- that are used to improve the Gross enrollment ratio, quality and quantity at large.

Unit 1: Introduction to Economics of Education

Definition and scope of Economics of Education. Education as Consumption and Investment goods; Education as a Merit good; Human capital: the concept ;Components of Human capital; Historical developments in the human capital theory; Human Capital vs. Physical Capital,; Human capital and human development. Investment in Human Capital Rate of return to education: private and social;

Unit 2: Education Sector in India

Quality of education; theories of Education; gender and caste disparities in Education,; Education Sector in India: An Overview of Literacy rates; Status of School enrolment, retention and dropouts; school quality measures; status of higher education, vocational education and adult education;

Unit 3 : Educational Planning and Policies in India

Approaches to educational planning. Economics of Educational Planning in Developing Countries with special reference to India Educational Planning and the problem of educated unemployment and brain drain

Unit 4 : Educational Financing in India

Role of financing in the development of education Financing of education in India Equity and Efficiency Effects of financing education in India. Implications of GATS on Indian Education and financing

Unit 5 : Major Issues and Challenges of Education in India

Impact of Privatisation and liberalisation on Education sector; Educated unemployment, Brain drain,

Compulsory Reading

Blaug, Mark (1972) Introduction to Economics of Education. Penguin, London.
Tilak. J.E.G.(1989) Economics of Inequality in Education, Sage, New Delhi.

Other Reading list

Becker, G.S.(1974) Human Capital. 2nd Edn., NBER, New York
Cohn, E and T.Gaske (1989) Economics of Education, Pergamon Press, London.
World Bank (1983) The World Development Report: Investing in Health. Oxford University Press, New York