

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 IV

Paper Code	Paper Title	Credits				Examination		Total Marks
		L	T	P	Total	IA	End Sem	
Core								
UCC-8	International Economics	5	1	-	6	25	75	100
UCC-9	Statistical Methods	4	-	2	6	25	75	100
UCC-10	Basics of Research	4	-	2	6	25	75	100
Skill Enhancement Course								
USEC-2	Society and Economics	2	-	2	4	25	75	100
Generic Elective (other department students)								
UGE-4	Karnataka Economy	5	1	-	6	25	75	100
	Indian Economic Thought	5	1	-				
	Introduction to Political Economy	5	1	-				
Total Credits					28			

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 IV: UCC-8: INTERNATIONAL ECONOMICS (6 Credits)

Aim of the Course: It aims to develop a basic understanding towards dynamics that evolved in International Economics mainly the direction and consequences of International Trade.

Unit 1: Introduction: Theories of International Trade

Adam Smith's and Ricardo's theories of trade - Opportunity costs - Empirical testing of theory of absolute cost and comparative cost - Heckscher - Ohlin theory of trade.

Unit 2: Balance of Payments

Balance of Payments (BOP) – Function of foreign exchange markets - Exchange rate determination - Purchasing power parity theory - Fiscal and flexible exchange rates - BOP disequilibrium – Adjustment mechanism - Policy measures – Devaluation.

Unit 3: Trade and Development

Role of Trade as Engine of Growth -Trade and Developing Countries - Gains from International Trade -Terms of Trade (ToT) - Open economy and Closed economy.

Unit 4: Barriers to Trade

Tariffs and quotas: Types of Tariffs and Quotas and Impact on Trade gains - Free Trade and Restricted Trade – Developments in Modern trade - GATT, WTO.

Compulsory Readings

Salvatore, D. (1997): International Economics, Prentice Hall, Upper Saddle River,N.J., New York.

Soderston, Bo (1991): International Economics, The Macmillan Press Ltd., London.

Other Reading list

Paul Krugman, Maurice Obstfeld, and Marc Melitz (2012): International Economics: Theory and Policy, Addison – Wesley (Pearson Education – Indian Edition) – 9th edition.

Kindelberger C.P., (1973): International Economics, R. D. Irwin, Homewood.

Kenan P.B (1994): The International Economy.

Bhagwati, J. (Ed.) (1981): International Trade Selected Readings, Cambridge, University Press, Massachusetts.

Chacholiades, M. (1990): International Trade: Theory and Policy, McGraw Hill, Kogakusha, Japan.

Krugman, P.R. and M. Obstfeld (1994): International Economics: Theory and Policy, Glenview, Foresm.

IMA IV: UCC-9 : STATSTICAL METHODS (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: Probability

Classical or a priori Probability - Relative frequency theory of Probability - Axiomatic approach to Probability -Theorems of Probability - Addition theorem - Multiplication theorem - Conditional probability - Bayes' Theorem - Random variable and Probability Distribution.

Unit 2: Theoretical Distributions

Binomial Distribution – Properties – Importance - Multinomial distribution - Negative Binomial Distribution - Poisson distribution - Hyper geometric Distribution - Normal Distribution - Relation between Binomial, Poisson and Normal Distributions - Properties of the Normal Distribution - Area under the Normal curve.

Unit 3: Skewness, Moments and Kurtosis

Measures of Skewness - Absolute measures of Skewness - Relative measures of Skewness - Karl Pearson's coefficient of Skewness - Bowley's Coefficient of Skewness - Kelly's coefficient of Skewness – Moments - Measures of Kurtosis.

Unit 4: Tests of Hypotheses

Types of Errors - Two tailed and one-tailed tests - Standard error and Sampling Distribution – Estimation - Properties of good estimator - Tests of significance for large samples - Tests of significance for small samples.

Unit 5: Degrees of Freedom and Analysis of Variance

The Chi-square distribution and degrees of freedom - The F-test or the Variance Ratio test – Applications - Analysis of Variance – Assumption – Technique - Two way classification model.

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 IV: UCC -10: BASICS OF RESEARCH (6 Credits)

Aim of the Course: The aim of this course is to introduce students to basics of how scientific research is conducted. Help them in critical review of literature and equip the students to undertake research.

Unit 1: Introduction

Meaning and definition of research- Classification of research(pure, applied, exploratory, descriptive, historical, diagnostic, experimental, qualitative, quantitative) - Importance, applications and limitations of social science research - Interdisciplinary and trans-disciplinary approaches - Basic elements of the scientific method - theory and research- The meaning of methodology.

Unit 2: Research Problem and Design

An overview of the different steps in research process - Selection of the topic and formulation of the research problem in Economics with illustrations - Review of literature - Research design, features of a good design –

Unit 3: Collection and Analysis of Data

Sample design - Probability and non-probability sampling - Methods of collecting primary data- Questionnaire and schedules - Sources of secondary data on Indian economy - Case study method

Unit 4: Interpretation and Preparation of the Report

Interpretation, drawing conclusions and reporting it - Structure of the research report - Types of reports - Documentation - Writing the research thesis - Methods of footnotes and referencing.

Compulsory Readings

William J Goode and Paul K Hatt: Methods in Social Research, McGraw- Hill. Latest Edition.

Wilkinson and Bhandarkar, (2012): Methodology and Techniques of Social Research, Himalaya.

Other Reading List

C R Kothari: Research Methodology, Methods and 35 Techniques, New Age International. Latest Edition.

W Lawrence Neuman, (2012): Social Research Methods, Quantitative and Qualitative Approaches, Pearson.

Laxmi Devi (Edited), (1997): Encyclopedia of Social Science Research, Anmol Publications.

Pauline V Young: Scientific Social Surveys and research, Prentice Hall India Pvt Ltd. Latest Edition.

Modern Language the MLA Handbook for Writers of Association of America, 2009 Research Papers.

P.S Mohanakumar (Edited): A Handbook on Research Methodology, Right Publishers, Kudavechoor Paneer Selvam – Research Methodology. Latest Edition.

IMA IV: USEC-2: SOCIETY AND ECONOMICS (4 Credits)

Aim of the course: Primary motive of this paper is to enrich the students with latent insights that intertwined with economic welfare and societal and cultural issues.

Unit 1: Human Evolution and Social Formation

Evolution of civilisations and the idea of state. Evolution and contradiction of clergy class and political system and science. Capitalism or socialism – way forward.

Unit 2: Political Economy

Emergence of economics as a field of study. Human welfare and the theories of communism and socialism. Consumer culture and intolerance in 21st century. Crony capital: nexus among clergy – entrepreneurs and political class. Hereditary politics and corruption. Border disputes and welfare.

Unit 3: Governments and society

Nature, Role and functioning of govt in society build up. Political legacy in India. Right and left wing Extremism and obstacles to growth. Media and society. Functioning of democratic institutions.

Unit 4: Social hierarchy and Access to resources

Caste and Social discrimination – dynamics in resource distribution. Reservations and misconceptions. Patriarchy/matriarchy and property rights/access. Development and participation. Sustainable Development. Gender violence and women empowerment.

Unit 5: Challenges to development in India

Political security or food security – way forward. Growing intolerance and role of democratic institutions. LPG policies and welfare in India. Universities and direction to the nation. Depleting environmental conditions.

Reading list

‘An uncertain glory: India and its contradictions’ Amartya Sen

‘Idea of Justice’ by Amartya Sen

‘Economic History of India’ by Tirathankar Roy

‘The Indian Ideology’ by Perry Anderson

Development as freedom’ amartya sen

‘Argumentative India’ Amartya sen

Blocked by Caste’ By Prof.Sukhadeo thorat

Dipankar Dasgupta, Pradip Maiti, Robin Mukherjee, Subrata Sarkar and Subhendu Chakrabarti (2000): Growth and Interstate Disparities in India, *Economic and Political Weekly*, 35(27), pp. 2413-2422.

IMA IV: UGE-4: KARNATAKA ECONOMY (6 Credits)

Aim of the Course: The basic objective of the course is to introduce students to the basic features of Karnataka economy and thereby enhance their analytical and critical ability to understand the dynamics of a regional economy.

Unit 1: Basic Concepts

Approaches to development - Income approach - GDP- Inequality - Human Development approach - Human development Index – Poverty.

Unit 2: Basic Structure of Karnataka Economy

Basic features – Geography - Composition and growth trends in population - Human Resource Development - Human Development Index - Structural composition of State income.

Unit3: Agriculture and Industry

Role of Agriculture - Land use pattern - Cropping pattern - Land reforms - Public distribution system - Role of industry - Small scale and cottage industries -Infrastructure.

Unit 4: Education, Health and Local Governance

Education – Health – Gender – Poverty – Inequality - Panchayat raj institutions - Decentralized planning.

Unit 5: Regional Disparities

Extent of regional disparities - High Power Committee for Readdressal of Regional Imbalances - Concept of backward area - Causes and consequences - Measures to reduce regional imbalances.

Compulsory Readings

Human Development Report (2005): Karnataka, Various years.

Debraj Ray (1998): Development Economics, Oxford University Press, Calcutta.

Meier and James E Rauch (2005): Leading Issues in Economic Development, Oxford University Press, New York.

Other Reading List

S Rajendran, (2001): Drought in Karnataka – Need for Long term Perspective, *Economic and Political Weekly*, 36 (36), September, pp.3423-26.

M V Nadakarni and RS Deshpande, (1982): Agricultural Growth, Instability and Rainfall: A Case of Karnataka, *Economic and Political Weekly*, 17 (52), December.

G.Thimmaiah, (1983): Caste and Class in Karnataka, *Social Scientist*, 11 (2), Feb. pp.31-42.

Chandrashekar Damle, (1989): Land Reforms Legislations in Karnataka- Myth of Success, *Economic and Political Weekly*, 24 (33), August, pp.1896-1906.

Government of Karnataka: Human Development Report, Bangalore: Department of Planning and Statistics, 1999 and 2005.

Kadekodi, Gopal et al., (2007): Governance and the Karnataka Model of Development, *Economic and Political Weekly*, February.

Sen, Gita, AditiAiyer and Asha George, (2007): Systematic hierarchies and systematic failures: Gender and Health inequalities in Koppal district, *Economic and Political Weekly*, February.

Ananthpur, Kripa, (2007): Dynamics of Local Governance in Karnataka, *Economic and Political Weekly*, February.

Thimmaiah G and Abdul Aziz, (1983): The Political Economy of Land Reforms in Karnataka, A South Indian State, *Asian Survey*, Vol. 23 (7), pp.810-29.

IMA IV: UGE-4: INDIAN ECONOMIC THOUGHT (6 Credits)

Aim of the Course: The objective of the course is to introduce students to economic ideas of some of the main thinkers in India.

Unit 1: Early Economic Ideas

Early economic ideas – Kautilya – Arthashastra - Valluvar; Basava.

Unit 2: Modern Economic Ideas

Naoroji – Ranade - R.C. Dutt - M.N. Roy – Ambedkar - economic ideas of Gandhi-Village-Swadeshi - Place of machine and labour - Cottage industries- Trusteeship.

Unit 3: Early Approaches to Planning for Development

Nehruvian socialism - The national planning committee - Gadgil- Co-operation as a way of life and strategy of development.

Unit 4: Contemporary Economic Ideas

Amartya Sen's ideas on development - Alternative perspectives.

Compulsory Reading

Kautilya, (1992): The Athashastra, Edited Rearranged Translated and Introduced by L.N. Rangaranjan, Penguin Books, New Delhi

Gangulik, B.N. (1977): Indian Economic thought A 19th Century Perspective, Tata McGraw Hill, New Delhi.

Amartya Sen and J. Dreze (2013): An Uncertain Glory: India and its contradictions, Princeton University Press.

Other ReadingList

Gandhi, M.K. (1947): India of My Dreams, Navajivan Publishing House, Ahmedabad.

Seshadri, G.B. (1997): Economic Doctrines, B.R. Publishing corporations, Delhi.

IMA IV:UGE-4: INTRODUCTION TO POLITICAL ECONOMY (6 Credits)

Aim of the Course: At the end of the course, the student should be able to appreciate Political Economy as a system of economy theory with a structure distinctive from that of mainstream(neoclassical) economics. The focus is on Smith, Ricardo and Marx. The explanatory power and logical consistency of Political Economy are demonstrated with reference to questions of economic growth, distribution and prices.

Unit 1: Basic Economic Processes – Systems of economics – Origin and purpose of Political Economy – The surplus approach – The Physiocrats – Tableau Economique of Francois Quesnay – Introduction to Input-Output.

Unit 2: Adam Smith's growth propositions – Division of Labour and aggregate demand – Capital Accumulation – Competition – Concept of the invisible hand – Distribution and value in Smith

Unit 3: Ricardo on distribution and value –Rent – Intensive and extensive margins – Theory of wages in classical economics –Relation between wages and profits – Pasinetti's model

Unit 4: Marx's methodology – Labour and value – Money – Commodity Fetishism – origin of surplus value – simple reproduction – Organic composition of capital – Industrial reserve army.

Compulsory Readings

Smith, Adam. (1776). *An inquiry into the nature and causes of the wealth of nations*, The Glasgow edition. (Selected chapters)

Ricardo, David. (1817). *Principles of Political economy and Taxation*, the Sraffa edition. (selected chapters)

Roncaglia, Alessandro. (2005). *The Wealth of Ideas*. Cambridge University Press, Cambridge

Sweezy, Paul (1970). *The Theory of Capitalist development: Principles of Marxian Political economy*. Modern Reader Paperbacks, New York

A detailed reading list, including articles and reference material, will be circulated later for each unit.

Other Reading List

Bharadwaj, Krishna (1970). *Classical Political Economy and Rise and Dominance of Supply and Demand Theories: R C Dutt Lectures on Political Economy*, Orient Longman

Garegnani, Pierangelo (1997) Article on European Journal of History of Economic Thought.

Garegnani, Pierangelo "Lecture notes"

Kurz, Heinz D and Neri Salvadori (1995), *Theory of production: A Long Period Analysis*, Cambridge University Press, Cambridge. Chapter 1. "Free competition and long-period positions".

Kurz, Heinz D and Neri Salvadori (1998), *Elgar Companion to Classical Economics Vol. 1*, Edward Elgar Publishing Limited, UK. Entry on "Classical Political Economy"

Gaurav Nayyar (2008): Economic Growth and Regional Inequality in India, *Economic and Political Weekly*, 43(6), pp. 58-67.

N. J. Kurian (2000): Widening Regional Disparities in India: Some Indicators, *Economic and Political Weekly*, 35(7), pp. 538-550.

R. Nagaraj, A. Varoudakis, M. A. Véganonès (2000): Long-run growth trends and convergence across Indian States, *Journal of International Development*, 12(1), pp. 45–70.

Sanjoy Chakravorty (2003): Industrial location in post-reform India: patterns of inter-regional divergence and intra-regional convergence, *Journal of Development Studies*, 40(2).