

# UNIVERSITY OF MUMBAI



## **Revised Syllabus for the T.Y.B.A. (Economics) Sem - V and VI**

(As per the Choice Based Credit System with effect from the academic  
year 2021-22)

## **TYBA ECONOMICS (SEMESTER-V)**

<b>COURSE CODE</b>	<b>GROUP-I : CORE PAPER PAPER NO -VII</b>	<b>CREDIT</b>	<b>MARKS</b>
<b>ECOAME501</b>	<b>ADVANCED MICROECONOMICS - III</b>	<b>4</b>	<b>100</b>

### **Course Objectives**

The course is designed to provide sound understanding in micro economic theory. Since students have been taught perfect competition, this course focuses on three main pillars of microeconomics such as imperfect competition, welfare economics and information economics.

### **Course Outcomes**

- Enables students to get knowledge on new market structure, imperfect competition.
- Provides understanding on the welfare economics and economics of information.

### **Module 1: General Equilibrium and Welfare Economics**

**(12 Lectures)**

Concept of General Equilibrium and Walrasian General Equilibrium Model - Pareto Optimality – The Pareto Optimality Condition of Social Welfare - Marginal Conditions for Pareto Optimal Resource Allocation - Perfect Competition and Pareto Optimality - Arrow's Impossibility Theorem

### **Module 2: Market Structure: Monopoly and Monopolistic Competition**

**(14 Lectures)**

Concept of Monopoly - Measurement of Monopoly Power - Price Discrimination: Types and Classification of Price Discrimination (Degrees of Price Discrimination) - Equilibrium under discriminating Monopoly - Regulation of Monopoly Market Product Differentiation in Monopolistic Competition - Chamberlin's Alternative approach- Equilibrium under Monopolistic Competition - Excess Capacity

### **Module 3: Oligopoly**

**(12 Lectures )**

The Cournot Model - Meaning and Characteristics of Oligopoly Market - Rigid Prices - The Sweezy Model of Kinked Demand Curve - Collusive Oligopoly - Cartel: Centralised and Market Sharing Cartel - Imperfect Collusion- Price Leadership Models, Game Theory - Prisoner's Dilemma, Nash Equilibrium and Dominant Strategy Equilibrium

### **Module 4: Information Economics**

**(12 Lectures )**

Economics of Search and Search Cost - The Theory of Asymmetric Information-The Market for Lemons and Adverse Selection - Risk Preference and Expected Utility - The Problem of Moral Hazard - Market Signaling - Principal-Agent Problem

### **References:**

1. Jhingan MLL. (2012), Advanced Economic Theory, Vrinda Publications, Delhi.
2. Mankiw N. Gregory (2015), Principles of Microeconomics, Cengage Learning.
3. Mansfield, Edwin (1985), Micro-economics: Theory & Applications, 5<sup>th</sup> edition, W.W. Norton & Company, New York.
4. Patil K. A (Second edition, 2011, Marathi), Advanced Economic Theory-Micro Analysis, Shri Mangesh Prakashan, Nagpur.
5. Salvatore D. (2006), Microeconomics: Theory and Applications, Oxford University Press, New Delhi.
6. Varian Hal R. (8 Edition 2010) Intermediate Microeconomics A Modern Approach, East-West Press, New Delhi

## **TYBA (ECONOMICS) (SEMESTER-V)**

<b>COURSE CODE</b>	<b>GROUP-I : CORE PAPER PAPER NO - VIII</b>	<b>CREDIT</b>	<b>MARKS</b>
<b>ECOGAD502</b>	<b>ECONOMICS OF GROWTH AND DEVELOPMENT</b>	<b>4</b>	<b>100</b>

### **Course Objectives**

This paper introduces the concepts, theories, process and policies regarding growth and development. The meaning of the development as it has evolved over the years is clarified. The contemporary as well as classical theories of growth, development, and underdevelopment are considered in detail. Theories and issues related to population, poverty, inequality and human capital are considered. Urban and rural aspects of the development process studied. Importance of technology, infrastructure and planning in development process are considered. The approach has been to cover all important areas of development economics.

### **Course Outcomes**

- Enable students to apply and analyse issues in the development process.
- Students will be able to identify the issues related to Growth and Development
- Students will be able to understand the policy options and analyzed the Measures taken for the Development of an economy.

### **Module 1: Meaning of Economic Growth and Development**

**(12 Lectures)**

Concepts of Economic Growth and Development-Distinction between Economic Growth and Development- Concept of Human Development- H.D.I, G.D.I, Green GDP- Sen's Capability approach- Millennium Development Goals (MDGs)- Initiative by Indian government towards MDGs.

### **Module 2: Theories of Economic Development**

**(12 Lectures)**

Rostow's stages of growth; Big Push Theory- Leibenstein's Critical Minimum Effort Thesis - Harrod - Domar Growth Model- Lewis Model of unlimited supply of labour - Ragner Nurkse's Theory of Disguised Unemployment- Schumpeter's Theory of Development

### **Module 3: Structural Issues in Development Process**

**(12 Lectures)**

Concept of Human Capital- Role of Education, Health and nutrition in Human Capital - Meaning and Measurement of Poverty and Inequality- Measures to eradicate poverty and Inequality - Meaning of Inclusive growth - SHG and Microfinance- Migration – Urbanization- Formal and Informal Sector- Urban Informal Sector

### **Module 4: Planning, Technology and Economic Development**

**(12 Lectures)**

Concept and Role of infrastructure in Economic Development- Role of technology in Economic Development- Labour intensive versus Capital intensive technology- Schumacher's concepts of intermediate and appropriate technology- Green Technology- Meaning and Types of Economic Planning- Role of Planning in Economic Development

### **References:**

1. Baldwin, Economic Development: Theory, History and Policy, Willy Publishers, 1957.
2. Mamoria, Joshi, Principles and practice of marketing in India, Kitab Mahal, 1979.
3. Meier, Gerald M. and James E. Rauch. Leading Issues in Economic Development, New Delhi: Oxford Univ. Press, 2006.
4. Thirlwall, A.P. Growth and Development 8e. New York: Palgrave MacMillan, 2005. 7
5. Todaro, Michael P. and Stephen C. Smith. Economic Development, 8e. Delhi: Pearson Education, 2003.
6. V.K. Puri and S.K. Mishra, Indian Economy, Himalaya Publishing House, 2019

## Module 4: Industrial Development in India

(12 Lectures)

New Industrial Policy, 1991; Disinvestment Policy; Small Scale Industries and Rural Industrialization; National Manufacturing Policy, 2011 - Recent Trends in India's Industrial Growth- Role of MNCs in the Indian Economy - Merits and Demerits, Industrial Finance in India.

### References:

1. Barthwal R.R. (2007), Industrial Economics, New Age International Publishers, New Delhi.
2. D. Agrawal A.N. (2011), Indian Economy, New Age International Publishers, New Delhi.
3. Datt R. and Sundaram K.P.M. (2009), Indian Economy, S.Chand & Co., New Delhi.
4. Kuchhal S.C. (1980), Industrial Economy of India, Chaitanya Publishing House, Allahabad.
5. Mishra S.K. and Puri V.K.(2008), Indian Economy, Himalaya Publishing House, Mumbai.
6. Ranjana Seth, Industrial Economics (2010), Ane Books Pvt. Ltd., New Delhi.

### TYBA (ECONOMICS) (SEMESTER-V)

COURSE CODE	GROUP-II : ELECTIVE PAPER PAPER NO – X	CREDIT	MARKS
ECORMA504	RESEARCH METHODOLOGY - I	4	100

### Course Objectives

This paper contains within the various objectives, such as to understand and make aware as well as inculcate research in Economics amongst the learners, to encourage exchange of ideas and application of results of economic research at the same time to enable students in understanding data collection and presentation for quality research in social sciences.

### Course Outcomes

- The learners will understand and inculcate research in Economics
- The learners will exchange ideas and application of results of economic research.
- The course will help in formulation of problems in social science research.
- The students will understand data collection and presentation for quality research in social sciences.

## **Module 1: Introduction to Research**

**(12 Lectures )**

Meaning and scope of social science research- Basic assumptions of research- Features and importance of social science research- Objectives and types of research; Basic, Applied, Pure, Descriptive, Analytical, and Empirical research- Limitations of social science research- Difficulties in social science research

## **Module 2: Formulation of Problem in Social Science Research**

**(12 Lectures )**

Research process: Identification, selection and formulation of research problem-Sources of research problem - Criteria of a good research problem- Review of literature-Formulation of hypothesis- Research design: Definition, Concepts, and types- Data Collection and analysis- Interpretation and report writing- Use of web search in research process.

## **Module 3: Types of Data: Primary and Secondary**

**(12 Lectures )**

Types of Data: Primary data and its collection methods: Observation method- Interview Technique - Design of schedule and questionnaire - Survey method and Field visits - Secondary data : Meaning- advantages- sources- relevance and limitations of secondary data- Sampling Techniques : Census and sample survey- Essentials of a good sampling - Advantages and limitations of sampling- Types of sampling: Random sampling and Non-random sampling-Sampling and Non-Sampling errors.

## **Module 4: Representation and Analysis of Data**

**(12 Lectures )**

Classification, Tabulation and Graphical presentation of socio-economic data- Need and importance of data analysis- Statistical analytical tools: Measures of Central Tendency - Measures of Variation : Absolute and relative measures - Quartile deviation, standard deviation, coefficient of variation- Skewness: Meaning and measurement (Karl Pearson's and Bowley's methods) - Preliminaries of computer applications in data organization and data processing.

## **References:**

1. Bhandarkar P.L., (1994), Samajik Sanshodhan Padhati, Himalaya Publication, New Delhi.
2. Dawson, Catherine (2002), Practical research methods, UBS Publishers, New Delhi.

3. Ghosh, B.N. (1992), Scientific methods and social research, Sterling Publishers Pvt. Ltd, New Delhi.
4. Gupta S P, (1987), Statistical methods, Sultan Chand and Sons, New Delhi.
5. Kothari R.C. (2008), Research methodology, methods and techniques, New Age International Publishers, New Delhi.
6. Krishnaswamy O.R.(1993), Methodology of research in social sciences, Himalaya publishing House, Mumbai.

### **TYBA (ECONOMICS) (SEMESTER-V)**

<b>COURSE CODE</b>	<b>GROUP-II : ELECTIVE PAPER PAPER NO – X</b>	<b>CREDIT</b>	<b>MARKS</b>
<b>ECOQEB504</b>	<b>QUANTITATIVE ECONOMICS – I</b>	<b>4</b>	<b>100</b>

#### **Course Objectives**

Economics is increasingly becoming quantitative in nature. This course introduces a variety of quantitative skills as per the current requirements of industry. The objective of this paper is to equip students with the mathematical and statistical techniques, which are needed for analysis of data in general and economic analysis in particular.

#### **Course Outcomes**

- Students can perform graphical analysis of functions, sketch curves defined by simple equations. Furthermore, it will help to interpret the algebraic solution of economic concepts
- It will build an ability to explain the economic applications of differentiation, and use it to understand economic concepts such as elasticity, marginal cost and input- output determination and linear programming.
- Help to develop various quantitative concepts and their application not only in economics but also for other subjects.



## **TYBA (ECONOMICS) (SEMESTER-VI)**

<b>COURSE CODE</b>	<b>GROUP-I : CORE PAPER PAPER NO –XIII</b>	<b>CREDIT</b>	<b>MARKS</b>
<b>ECOAME601</b>	<b>ADVANCED MACROECONOMICS - III</b>	<b>4</b>	<b>100</b>

### **Course Objectives**

This course introduces the students to formal modeling of a macro economic theory with analytical tools. Since students have been taught Keynesian Synthesis, this course focuses on four aspects which are the study of Post Keynesian Synthesis, Trade Cycles, Exchange Rate Regimes and International Monetary System.

### **Course Outcomes**

- To make students aware about Post Keynesian Synthesis and understand various aspects of Trade Cycles.
- Students will be able to describe the contemporary Exchange Rate Regimes and International Monetary System.

### **Module 1: Post Keynesian Synthesis**

**(14 Lectures)**

Derivation of Aggregate Demand Curve with IS-LM - Aggregate Supply Curve - Determination of Equilibrium National Income and Price Level under Aggregate Demand and Aggregate Supply Model - Extension of IS-LM Model with Labour Market and Flexible Prices - Natural Rate of Unemployment- Long run Philips Curve - Friedman's Expectation Model - Tobin's Modified Philips Curve - Adaptive Expectations and Rational Expectations.

### **Module 2: Trade Cycles**

**(12 Lectures)**

Meaning- Nature- Features and Types of Trade Cycles - Phases of Trade Cycles - Theories of Trade Cycles- Hawtrey's, Kaldor, Paul Samuelson and Hicks - Measures to Control Trade Cycles.

### **Module 3: Exchange Rate Regimes and Currency Crises**

**(12 Lectures )**

Managed Exchange Rate- Advantage and Disadvantage - Policy of Managed Flexibility-Adjustable Peg System, Crawling Peg System, Managed Floating System, Clean and Dirty Float System - Balance of Payment and Exchange Rate - Is Balance of Payments Always in Balance? – Convertibility of Currency- Currency Crisis-Causes, Impact and Measures.

### **Module 4: International Monetary System**

**(12 Lectures)**

Rise and Fall of International Gold Standard - Bretton Woods System- Breakdown of the Bretton Woods System - Monetary System after the Collapse of Bretton Woods System - Maastricht Treaty, Features, Effects and Importance of Euro- Currency Market - Causes and Consequences of Global Economic Crisis - Impact of Global Recession on the Indian Economy - Asia Infrastructure Investment Bank (AIIB) - New Development Bank (NDB): Asian Development Bank (ADB).

### **References:**

1. Blanchard, Oliver (2008), Macroeconomics, Pearson education, New Delhi, India.
2. Dornbusch, Fisher and Startz (2018): Macroeconomics, McGraw Hill Education (India) Pvt. Ltd.
3. Mankiw N Gregory (2003), Macroeconomics, 6" edition, Worth Publishers, New York.
4. Patil J. F (2005, Marathi Edition), Macroeconomic Analysis, Phadke Prakashan, Kolhapur.
5. Rana K. C. & Verma K.N (2017), International Economics, Vishal Publishing CO. Jalandhar.
6. Salvatore D. (1997), International Economics, Printice Hall, New York.

## **TYBA (ECONOMICS) (SEMESTER-VI)**

<b>COURSE CODE</b>	<b>GROUP-I : CORE PAPER PAPER NO – XIV</b>	<b>CREDIT</b>	<b>MARKS</b>
<b>ECOIE602</b>	<b>INTERNATIONAL ECONOMICS</b>	<b>4</b>	<b>100</b>

### **Course Objectives**

The course is designed to provide a general understanding of the fundamentals of International Trade Theories along with the balance of payment concepts, crisis and various policy measures to correct the same. It also provides overview of the working of foreign exchange market, determination of exchange rate and different terms related with the foreign exchange market. The course introduces the main features of the international economic institutions and enables them to critically understand role and functions of those institutions.

### **Course Outcomes**

- Students will be able to understand the trade theories and determinants of trade which helps them to analyze the international trade policies.
- Students will be able to understand the role of various international institutions and trade blocks and their approaches in framing the policies for trade.

### **Module 1: Introduction to Trade Theories**

**(12 Lectures)**

Meaning, scope and importance of International Trade- Difference between Internal and International Trade - Adam Smith's Theory of International Trade - Ricardian theory of comparative cost difference Heckscher- Ohlin Theory-Leontief's Paradox- Krugman's Model

### **Module 2: Balance of Trade and Balance of Payment**

**(12 Lectures)**

Concepts of Terms of Trade(Net barter, Gross barter and Income terms of trade)-Meaning and difference between Balance of Trade (BOT) and Balance of Payment (BOP)-Purchasing Power Parity theory, Law of Reciprocal Demand-Marshall-Edgeworth Offer curves, Gains from trade-Case for and against Free Trade and Protection policy

### **Module 3: Foreign Exchange Market**

**(12 Lectures)**

Meaning and Functions of Foreign Exchange Market-Exchange rate determination, Factors influencing foreign exchange rate-Managed Flexibility-SWAP Market, Components of foreign exchange reserves Foreign Aid Vs Foreign Trade, FDI and MNCs

### **Module 4: International Economic Institutions and Economic Integration**

**(12 Lectures)**

IMF, World Bank - Role and functions-WTO-Objectives, Functions and Agreements with respect to TRIPS, TRIMS, GATS, AoA - Forms and objectives of Economic Integration-Cartels-Trade Blocs, ASEAN- European Union (EU)- NAFTA and SAARC.

### **References:**

1. Appleyard Dennis and Alfred j Field, Jr, International Economics, 2001, 4<sup>th</sup> Edition, Tata McGraw-Hill Education Private Limited.
2. Cherunilam Francis, International Economics, 2009, 5<sup>th</sup> Edition, Tata McGraw-Hill Education Private Limited, New Delhi.
3. Krugman R Paul, Maurice Obstfeld, International Economics Theory and Policy, 2009, 8<sup>th</sup> Edition, Pearson.
4. Melitz M. and Trefler D., Gains from Trade When Firms Matter, Journal of Economic Perspectives, Spring 2012.
5. Salvatore, Dominick, International Economics, 2008, 8<sup>th</sup> Edition, Wiley India.
6. Sodersten, Bo and Geoffery Reed, International Economics, 2006, 3<sup>rd</sup> Edition.

## References:

1. Agrawal A.N. (2011), Indian Economy, New Age International Publishers, New Delhi.
2. CO Monappa A, (2006), Industrial Relations, Tata McGraw Hill Publishing Company Ltd, New Delhi.
3. Datt R. and Sundaram K.P.M. (2009), Indian Economy, S.Chand & Co., New Delhi.
4. Mamoria C.B. and Mamoria S. (2002), Dynamics of Industrial Relations, Himalaya Publishing House, Mumbai.
5. U. Mishra S.K. and Puri V.K.(2008), Indian Economy, Himalaya Publishing House, Mumbai.
6. U. Ratna Sen, Industrial Relations in India - Shifting Paradigms (2005), Macmillan, New Delhi.

### TYBA (ECONOMICS) (SEMESTER-VI)

COURSE CODE	GROUP-II : ELECTIVE PAPER PAPER NO – XVI	CREDIT	MARKS
ECORMA604	RESEARCH METHODOLOGY - II	4	100

## Course Objectives

This paper has various objectives, like to enable students in understanding application of statistics in research, to prepare learners to realize about various analytical tools and methods in research, to orient the students to know index numbers, hypothesis formulations and testing and to make student understand about the research report writing.

## Course Outcomes

- The learners get assimilated to the research culture in Economics through application of Statistics.
- The learners will understand the concept of index number with its use and applications.
- The course will help in formulation of hypotheses and its testing in social science research.
- The students will understand the writing of social science research reports with its various types, organization and styles.

## **Module 1: Application of Statistics in Research**

**(10 Lectures)**

Methods of studying correlation- measurement of simple correlation: graphic method- Scatter diagram- Coefficient of correlation- Karl Pearson and rank correlation- Interpretation of  $r = +1$ . Linear regression analysis: Meaning, regression lines, regression equation, regression equation relationship between correlation and regression- Analysis of time series- Components- Trend analysis- Moving averages (3, 4 and 5 Yearly) - Method of least square.

## **Module 2: Index Number:**

**(14 Lectures)**

Meaning and classification of index number - Problems encountered while constructing index numbers- Uses and limitation of index numbers - Methods of constructing index numbers: Simple index: i) Aggregate method ii) Simple average of Relative method - Weighted index: Laspeyres's, Paasche's, Fisher's and Marshall- Edgeworth - Base shifting - Deflating and Cost of living index number: Weighted average of Relative method - Aggregate Expenditure method- Chain based index - Concepts of base shifting, splicing, and deflating - Consumer price index- Meaning, need and construction.

## **Module 3: Hypothesis Formulation and Testing**

**(10 Lectures)**

Definition and functions of Hypothesis - Criteria of workable Hypothesis - Forms and sources of hypothesis- Concepts in testing of hypothesis: Universe / Population parameter and sample statistics- Types of hypotheses: Null and Alternative Hypotheses-Levels of significance-Critical region -Type I and Type II Errors -Student t- test.

## **Module 4: Research Report Writing**

**(14 Lectures)**

Types of research reports: Technical, Popular, Interim, Summary, Article- Format of a research report- Principles of writing the research report: Organization and style - Contents- Styles of reporting- Steps in drafting reports- Editing the final draft-Evaluating the final draft -Organization of the research report: Preliminaries, Contents of report, Structuring the report: Chapter format- Pagination- Identification- Using quotations, Presenting footnotes- Abbreviations- Presentation of tables and figures- Referencing documentation-Use and format of appendices- Indexing - Bibliography, Appendices.

## References:

1. Allen, T. Harrell (1978), New methods in social science research, Praeger Publishes, New York
2. Bhandarkar P.L.,(1994), Samajik Sanshodhan Padhati, Himalaya Publication, New Delhi, (Marathi)
3. Ghosh, B.N, (1992). Scientific methods and social research, Sterling publishers Pvt. Ltd, New Delhi.
4. Gupta S. P, (1987), Statistical methods, Sultan Chand and Sons, New Delhi
5. Kothari R.C. (2008), Research methodology, methods and techniques, New Age International Publishers, 2<sup>nd</sup> revised edition, New Delhi.
6. Krishnaswamy O.R. (1993), Methodology of research in social sciences, Himalaya Publishing House, Mumbai

### TYBA (ECONOMICS) (SEMESTER-VI)

COURSE CODE	GROUP-II : ELECTIVE PAPER PAPER NO – XVI	CREDIT	MARKS
ECOQEB604	QUANTITATIVE ECONOMICS – II	4	100

## Course Objectives

This paper proposes to equip the students with the idea of derivatives and integration along with its application in economic theory. The aim is to empower students with quantitative techniques such as correlation, regression and time-series, which will aid in for data analysis.

## Course Outcomes

- Upon the completion of course students will be able to apply the techniques of derivatives and integration to economic theory
- Students can handle time series data and interpret the results.

## Module 1: Techniques and applications of partial derivatives

(12 Lectures)

Functions of several variables and partial derivatives - Second order partial derivatives - Optimization of multivariable functions-Constrained optimization with Lagrange multiplier and its economic