Appendix "I" Item No.16

M. A. ECONOMICS
New Syllabus
SEMESTER – I : PAPER – IV
ECO: 104 PUBLIC ECONOMICS – I

Module 1: Introduction:
Role of Government in organized society: Changing perspective government in a mixed economy: public and private sector, cooperation or competition; Government as an agent for economic planning and development; Government as a tool for operationalizing the planning process; private goods, public goods, and merit goods; Market failure – imperfections, decreasing costs, externalities, public goods; Uncertainty and non-existence of future markets; informational asymmetry.

Module 2: Public Choice:
Private and public mechanism for allocating resources; Problems for allocating resources; problems of preference revelation and aggregation of preferences; Voting systems; Arrow impossibility theorem; An economic theory of democracy; Politico-eco-bureaucracy; Rent seeking and directly unproductive profit seeking (DUP) activities.

Module 3: Rationale for Public Policy:
Allocation of resources-provision of public goods; Voluntary exchange models; Impossibility of decentralized provision of public goods (contributions of Samuelson and Musgrave); Demand-revealing schemes for public goods - Contributions of Clarks, groves and Leyard, Tiebout model, theory of club goods; Stabilization Policy – Keynesian case for stabilization policy; Uncertainty and expectations; Failure of inter-temporal markets.

Module 4: Taxation:
Theory of incidence; Alternative concepts of incidence-allocative and equity aspects of individual taxes; Benefit and ability to pay approaches; Theory of optimal taxation; Excess burden of taxes; Trade-off between equity and efficiency; Theory of measurement of dead weight losses; The problem of double taxation.

Module 5: Public Expenditure:
Wagner’s law of increasing state activities; Wiseman-Peacock hypothesis; Pure theory of public expenditure; Structure and growth of public expenditure; Criteria for public investment; Social cost-benefit analysis - Project evaluation, Estimation of costs, discount rate: Reforms in expenditure budgeting; Programme Budgeting and zero base budgeting.

Basic Reading List:

M.A.ECONOMICS
OLD SYLLABUS
SEMESTER – I : PAPER – IV
ECO: 104 PUBLIC ECONOMICS – I

Module 1: Introduction:
Role of Government in organized society: Changing perspective government in a mixed economy: public and private sector, cooperation or competition; Government as an agent for economic planning and development; Government as a tool for operationalizing the planning process; private goods, public goods, and merit goods; Market failure – imperfections, decreasing costs, externalities, public goods; Uncertainty and non-existence of future markets; informational asymmetry-Theory of second best.

Module 2: Public Choice:
Private and public mechanism for allocating resources; Problems for allocating resources; problems of preference revelation and aggregation of preferences; Voting systems; Arrow impossibility theorem; An economic theory of democracy; Politico-eco-bureaucracy; Rent seeking and directly unproductive profit seeking (DUP) activities.
Module 3: Rationale for Public Policy:

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Module 4: Taxation:

Theory of incidence; Alternative concepts of incidence-Allocative and equity aspects of individual taxes; Benefit and ability to pay approaches; Theory of optimal taxation; Excess burden of taxes; Tradeoff between equity and efficiency; Theory of measurement of dead weight losses; The problem of double taxation.

Module 5: Public Expenditure:

Wagner’s law of increasing state activities; Wiseman-Peacock hypothesis; Pure theory of public expenditure; Structure and growth of public expenditure; Criteria for public investment; Social cost-benefit analysis - Project evaluation. Estimation of costs, discount rate: Reforms in expenditure budgeting; Programme budgeting and zero base budgeting.

Basic Reading List:


New Syllabus

SEMESTER – II: PAPER – IV

ECO: 204 PUBLIC ECONOMICS – II

Module 1: Public Debt:

Classical view of public debt; Compensatory aspect of debt policy; Burden of public debts; Sources of public debt; Debt through created money; Public borrowings and price level; Crowding out of private investment and activity; principles of debt management and repayment.

Module 2: Fiscal Policy:

Objectives of fiscal policy-full employment, anti-inflation, economic growth, redistribution of income and wealth; Interdependence of fiscal and monetary policies; Budgetary deficits and its implications; Fiscal policy for stabilization-automatic vs. discretionary stabilization; Alternative measures of resource mobilization and their impact on growth, distribution and prices; Balanced budget multiplier.

Module 3: Fiscal Federalism:


Module 4: Centre - State Financial Relations:

Centre State financial relations in India - Recommendations of the successive Finance Commissions-Resource Transfer from Union to States; Planning Commission, Devolution of Resources and Grants; Criteria for transfer of resources-Problems of States resources Taxation of agriculture expenditure tax, reforms in indirect and indirect taxes, taxes on services; non-tax revenue and indebtedness - transfer of resources from Union and States to Local Bodies.

Module 5: Indian Public Finance:

Indian tax system; Revenue of the Union, states and local bodies; Major taxes in India: base of taxes, direct and indirect taxes. Taxation of agriculture expenditure tax, reforms in direct and indirect taxes, taxes on services; non-tax revenue of Centre, State and local bodies; Introduction of Modified Value Added Tax (MODVAT) - Goods and Services Tax (GST) – Implementation and effects – Role of GST Council. Analysis of Central and State government budgets: shrinking size of development finance through budgets; Trends in public expenditure and public debt; fiscal crisis and fiscal sector reforms in India.
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Old Syllabus
SEMESTER – II : PAPER – IV
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Module 3: Fiscal Federalism:
Principles of Multi Unit Finance: Vertical and Horizontal imbalances, fiscal Adjustment. Methods of Fiscal Adjustment, Theory of Grants – Fiscal Federal-


Module 4: Centre - State Financial Relations:
Centre State financial relations in India - Recommendations of the successive Finance Commissions-Resource Transfer from Union to States; Planning Commission, Devolution of Resources and Grants ; Criteria for transfer of resources-Problems of States resources and indebtedness - transfer of resources from Union and States to Local Bodies.

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Basic Reading List:

M.ACOOPERATION AND ECONOMICS
New Syllabus
SEMESTER – II : PAPER – IV
AECO: 204 PUBLIC ECONOMICS – II

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Module 3: Fiscal Federalism:

Module 4: Centre - State Financial Relations:
Centre State financial relations in India - Recommendations of the successive Finance Commissions-Resource Transfer from Union to States; Planning Commission, Devolution of Resources and Grants; Criteria for transfer of resources - Problems of States resources Taxation of agriculture expenditure tax, reforms in indirect and indirect taxes, taxes on services; non-tax revenue and indebtedness - transfer of resources from Union and States to Local Bodies.

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Indian tax system; Revenue of the Union, states and local bodies; Major taxes in India: base of taxes, direct and indirect taxes. Taxation of agriculture expenditure tax, reforms in direct and indirect taxes, taxes on services; non-tax revenue of Centre, State and local bodies; Introduction of Modified Value Added Tax (MODVAT) - Goods and Services Tax (GST) – Implementation and effects – Role of GST Council. Analysis of Central and State government budgets: shrinking size of development finance through budgets; Trends in public expenditure and public debt; fiscal crisis and fiscal sector reforms in India.
Basic Reading List:


M.A COOPERATION AND APPLIED ECONOMICS

Old Syllabus

SEMESTER – II : PAPER – IV

AECO: 204 PUBLIC ECONOMICS – II

Module 1: Public Debt:

Classical view of public debt; Compensatory aspect of debt policy; Burden of public debts; Sources of public debt; Debt through created money; Public borrowings and price level; Crowding out of private investment and activity; principles of debt management and repayment.

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Basic Reading List:


Module 1: Theory of International Trade
The pure theory of international Trade – Theories of absolute advantage comparative advantage and opportunity costs; Factor endowments and Heckscher-Ohlin theory of trade – Factor-price equalization theorem - Empirical testing of H.O.Model - The Leontief paradox; Kravis and Linder’s theory of Trade.

Module 2: Terms of Trade and Gains from Trade
Concepts of terms of trade, their uses and limitations - Measurement of gains from trade and their distribution; Terms of trade and economic growth.

Module 3: Theory of Interventions
Free Trade Vs. Protection, Trade restrictions-tariffs, Quotas and non-tariff barriers; Stolper-Samuelson theorem; The political economy of non-tariff barriers and their implications; Trade under imperfectly competitive markets.

Module 4: Trade and Development
Trade as an Engine Growth - Secular Deterioration hypothesis – Rybezynski Theorem; Immersing Growth.

Module 5: International Economic Integration
Forms of economic cooperation-Free Trade Area, Customs Union and Common Market; Religion Groups-European Union, NAFTA, ASEAN and SAARC, Problems and prospects of forming a customs union in the Asian Region; UNCTAD; Regionalization, Multilateralism and WTO.

Basic Reading List:


M.A. COOPERATION AND ECONOMICS
Semester 3rd (Old Syllabus)
Paper – II
AECO: 302- INTERNATIONAL TRADE

Module 1: Theory of International Trade
The pure theory of international Trade – Theories of absolute advantage comparative advantage and opportunity costs; Factor endowments and Heckscher-Ohlin theory of trade – Factor-price equalization theorem - Empirical testing of H.O.Model - The Leontief paradox; Kravis and Linder’s theory of Trade.

Module 2: Terms of Trade and Gains from Trade
Concepts of terms of trade, their uses and limitations - Measurement of gains from trade and their distribution; Terms of trade and economic growth.

Module 3: Theory of Interventions
Free Trade Vs. Protection, Trade restrictions-tariffs, Quotas and non-tariff barriers; Stolper-Samuelson theorem; The political economy of non-tariff barriers and their implications; Trade under imperfectly competitive markets.

Module 4: Trade and Development
Trade as an Engine Growth - Secular Deterioration hypothesis – Rybezynski Theorem; Immersing Growth.

Module 5: International Economic Integration
Forms of economic cooperation-Free Trade Area, Customs Union and Common Market; Religion Groups-European Union, NAFTA, ASEAN and SAARC, Problems and prospects of forming a customs union in the Asian Region; UNCTAD; Regionalization, Multilateralism and WTO.
Basic Reading List:


M.A Economics

Semester 3rd : NEW SYLLABUS

Paper – II

ECO: 302 INTERNATIONAL TRADE

Module 1: Theories of International Trade:

The pure theory of international Trade – Theories of absolute advantage; comparative advantage and opportunity costs; Factor endowments and Heckscher-Ohlin theory of trade – Factor-price equalization theorem - Empirical testing of H.O.Model - The Leontief paradox; Kravis and Linder’s theory of Trade- Paul Krugmans New Trade Theory.

Module 2: Terms of Trade and Gains from Trade:

Concepts of terms of trade, their uses and limitations - Measurement of gains from trade and their distribution; Terms of trade and economic growth.

Module 3: Theory of Interventions:-

Free Trade Vs. Protection, Trade restrictions-tariffs, Quotas and non-tariff barriers; Stolper-Samuelson theorem; The political economy of non-tariff barriers and their implications; Trade under imperfectly competitive markets-Optimum Tariff.

Module 4: Trade and Development:-

Trade as an Engine Growth - Secular Deterioration hypothesis – Rybezynski Theorem; Immiserising Growth.

Module 5: International Economic Integration:-

Forms of economic cooperation -Free Trade Area, Customs Union and Common Market; Religion Groups-European Union, E.U. and Brexit, NAFTA, ASEAN and SAARC; UNCTAD; Regionalization, Multilateralism and WTO.

References:-


M.A., COOPERATION AND APPLIED ECONOMICS  
Semester 3rd : NEW SYLLABUS  
Paper – II  
AECO: 302 INTERNATIONAL TRADE

Module 1: Theories of International Trade:-
  The pure theory of international Trade – Theories of absolute advantage; 
  comparative advantage and opportunity costs; Factor endowments and 
  Heckscher-Ohlin theory of trade – Factor-price equalization theorem - Empiri- 
  cal testing of H.O.Model - The Leontief paradox; Kravis and Linder’s theory of 
  Trade- Paul Krugmans New Trade Theory.

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  Concepts of terms of trade, their uses and limitations - Measurement of 
  gains from trade and their distribution; Terms of trade and economic growth.

Module 3: Theory of Interventions:-
  Free Trade Vs. Protection, Trade restrictions-tariffs, Quotas and non-tariff 
  barriers; Stolper-Samuelson theorem; The political economy of non-tariff bar-
  riers and their implications; Trade under imperfectly competitive markets- 
  Optimum Tariff.

Module 4: Trade and Development:-
  Trade as an Engine Growth - Secular Deterioration hypothesis – Rybezynski Theorem; Immiserising Growth.

Module 5: International Economic Integration:-
  Forms of economic cooperation -Free Trade Area, Customs Union and 
  Common Market; Religion Groups-European Union, E.U. and Brexit, NAFTA, 
  ASEAN and SAARC; UNCTAD; Regionalization, Multilateralism and WTO.

References:


M.A ECONOMICS  
Semester 4th (Old Syllabus)  
PAPER – II  
ECO: 402-INTERNATIONAL FINANCE

Module -1: Balance of Payments
  Meaning and Components of balance of payments; Measurement of Bal-
  ance of Payments - Surpluses and Deficits; General Theory of Balance of 
  Payments-the Classical Theory-Keynesian Theory-Foreign Trade Multiplier.

Module 2: Equilibrium and Disequilibrium in Balance of Payments
  Equilibrium and Disequilibrium in Balance of Payments: Types and causes 
  for disequilibrium; The process of adjustment under Gold Standard, Fixed 
  exchange rates and flexible exchange rates devaluation; Marshal Lerner con-
  ditions; Expenditure reducing and Expenditure-switching policies and direct 
  control for adjustment.

Module 3: Foreign Exchange Market
  Theories of exchange rate determination - Purchasing Power Parity theory, 
  Monetary and Portfolio balance approaches; Equilibrium exchange rates; Sta-
  bility in the exchange market and market intervention policy.

Module 4: International Capital Movements
  International Capital movements; The transfer problem-The Euro cur-
  rency market-International Development Agencies; Theory of Short term capi-
  tal movements and East Asian crisis and lessons for developing countries.

Module 5: International Monetary System
  Rise and Fall of gold standard and Bretton-Woods system; Need, ade-
  quacy and determinants of International reserves; Conditionality clause of
IMF; Role of International Finance agencies (IMF, IBRD and ADB) in solving International liquidity problem; Emerging International monetary system with special reference to post Maastricht development and developing countries.

**Basic Reading List:**

**M.A COOPERATION AND ECONOMICS**
**Semester 4**th**(Old Syllabus)**
**PAPER – II : ECO: 402-INTERNATIONAL FINANCE**

**Module 1: Balance of Payments**

**Module 2: Equilibrium and Disequilibrium in Balance of Payments**
Equilibrium and Disequilibrium in Balance of Payments: Types and causes for disequilibrium; The process of adjustment under Gold Standard, Fixed exchange rates and flexible exchange rates devaluation; Marshal Lerner conditions; Expenditure reducing and Expenditure-switching policies and direct control for adjustment.

**Module 3: Foreign Exchange Market**
Theories of exchange rate determination - Purchasing Power Parity theory, Monetary and Portfolio balance approaches; Equilibrium exchange rates; Stability in the exchange market and market intervention policy.

**Module 4: International Capital Movements**
International Capital movements; The transfer problem-The Euro currency market-International Development Agencies; Theory of Short term capital movements and East Asian crisis and lessons for developing countries.

**Module 5: International Monetary System**
Rise and Fall of gold standard and Bretton-Woods system; Need, adequacy and determinants of International reserves; Conditionality clause of IMF; Role of International Finance agencies (IMF, IBRD and ADB) in solving International liquidity problem; Emerging International monetary system with special reference to post Maastricht development and developing countries.

**Basic Reading List:**
M.A ECONOMICS
Semester 4\textsuperscript{th} (New Syllabus)
PAPER – II : ECO: 402-INTERNATIONAL FINANCE

Module 1: Balance of Payments:-

Module 2: Equilibrium and Disequilibrium in Balance of Payments:-
Types and causes for disequilibrium in BOP; The process of adjustment under Gold Standard; Fixed Exchange Rates and Flexible Exchange Rates, Devaluation; Marshal Lerner conditions; Expenditure reducing and Expenditure-switching policies and direct control for adjustment.

Module 3: Foreign Exchange Market:-
Theories of Exchange Rate Determination - Purchasing Power Parity theory; Monetary and Portfolio Balance Approaches; Structure of Foreign Exchange-Equilibrium exchange rates; Stability in the exchange market and market intervention policy.

Module 4: International Capital Movements:-
International Capital movements; The transfer problem-The Euro currency Market-International Development Agencies; International Financial Crisis and its impact on Developing Countries- East Asian crisis and lessons for developing countries.

Module 5: International Monetary System:-
International Financial Institutions – IMF and its Functions; IBRD and ADB; International Liquidity Problem, Role of IMF and World Bank in solving International liquidity problem of Developing Countries- Emerging issues in International monetary system.

Basic Reading List:
Soderston, BN.O (1991), International economics, the Macmillan Press Ltd., London


M.A COOPERATION AND APPLIED ECONOMICS
Semester 4\textsuperscript{th} (New Syllabus)
PAPER – II : ECO: 402-INTERNATIONAL FINANCE

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Types and causes for disequilibrium in BOP; The process of adjustment under Gold Standard; Fixed Exchange Rates and Flexible Exchange Rates, Devaluation; Marshal Lerner conditions; Expenditure reducing and Expenditure-switching policies and direct control for adjustment.

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