



# University of Rajasthan Jaipur

## SYLLABUS

### M.A. Economics

#### Annual Scheme

M.A. (Previous) Examination 2021

M.A. (Final) Examination 2022

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**M.A Economics (Annual Scheme)**

There shall be nine papers in all, seven will be compulsory papers and the rest two will be optional papers. Candidates are required to attempt five questions in all selecting at least one question from each section. All question carry equal marks.

**Compulsory Papers****For M.A. previous**

Paper-I	:	Micro Economic Theory
Paper- II	:	Macro Economic Theory
Paper-III	:	Quantitative Methods for Economics

**For M.A. Final**

Paper-IV	:	Public Finance
Paper-V	:	International Economics
Paper-VI	:	Development Economics
Paper-VII	:	Advanced Indian Economy

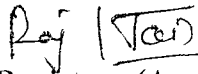
**Optional Papers**

Candidates will be required to select any two optional – One for M.A. (Previous) and the other for M.A. (Final) examination from the following:

Optional (i)	:	Agricultural Economics
Optional (ii)	:	Industrial Economics
Optional (iii)	:	Demography
Optional (iv)	:	Survey Methods
Optional (v)	:	Indian Banking System
Optional (vi)	:	International Finance
Optional (vii)	:	History of Economic Thought
Optional (viii)	:	Mathematical Economics
Optional (ix)	:	Econometrics
Optional (x)	:	Labour and Industrial Relations
Optional (xi)	:	Economics of Infrastructure
Optional (xii)	:	Health Economics
Optional (xiii)	:	Environmental Economics

**COMPULSORY PAPERS FOR M.A. PREVIOUS****PAPER-I: MICRO ECONOMIC THEORY****Duration: 3 Hours****Max. Marks: 100**

**Note:** The paper will contain nine questions having three questions in each section. Candidates are required to attempt five questions in all, selecting at least one question from each section.

  
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### Section –A

Theory of Consumer Behaviour – Cardinal and Ordinal utility approaches, Derivation of Individual Demand Curve, Market Demand Curve, Determinants of Demand, Elasticities of Demand, Price, Income and Substitution effects, Normal, Inferior and Giffen goods. Complementary and Substitute goods, The Revealed Preference Hypothesis, Consumer Surplus and its reformulation, Consumer Behaviour under Uncertainty (elementary approach).

Production: Production Function – Law of variable proportions, Three stages of production, Laws of returns and returns to scale, Isoquants and optimum factor combination, Expansion path and Isoclines, Capital deepening and Labour deepening technology through Isoquants.

### Section-B

Theory of cost- short run costs, long run costs, Empirical cost function (Stigler Survivor Method), Economies of Scale.

Different Market Structures Perfect competition and its relevance.

Monopoly –Impact of taxes on price and output, Measurement of monopoly power, Price- Discrimination under of Monopoly with illustration, Impact of monopoly Economic Welfare, Monopolistic Competition- Product differentiation and demand curve, Equilibrium of a firm (Chamberlin Model), Excess capacity according to Chamberlin.

Oligopoly- Non collusive oligopoly (Cournot, Bertrand, Chamberlin, Kinked demand curve and Stackelberg Models) and Collusive Oligopoly (Cartels and Price Leadership), Full cost pricing, Theory of Hall and Hitch Theory of limit pricing.

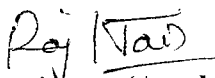
### Section-C

Pricing of factors -Factor pricing in competitive and imperfect competitive markets. Exploitation of Labor (Joan Robinson and Chamberlin approaches) and Trade Union, Bilateral Monopoly

Welfare Economics- Pareto optimality Criterion, Kaldor-Hicks Compensation Criterion, Bergson Social Welfare function, Maximization of social welfare and the point of Bliss, welfare Maximization, Externalities, Theory of Second Best

### **Books Recommended:**

1. A. Koutsoyiannis: Modern Micro Economics, MacMillan, London
2. H.L. Ahuja: Advanced Economic Theory, S. Chand & Co., New Delhi
3. H.L. Ahuja: Uchchatar Arthik Siddhant (Hindi) S. Chand & Co., New Delhi.
4. D. Salvatore: Micro Economic Theory, Schaum's Outline Series, Third edition, McGraw-Hill, Inc. New Delhi.

  
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**Reference Books:**

- 1 D. Salvatore: Micro Economic Theory, Harper Collins
- 2 J.M. Joshi: Theory of Value, Distribution and Welfare ( Vikas, New Delhi)
- 3 K.C. Roy Choudhary: Micro Economics, Tata McGraw Hill Publishing Co., New Delhi
- 4 P.R.G Layard and A.A Walters: Micro Economic Theory McGraw Hill Publishing Co., New Delhi
- 5 Hal R. Varian: Micro Economic Analysis (Indian Print), Affiliated East- West Press Pvt. Ltd., New Delhi.

**PAPER II: MACRO ECONOMIC THEORY****Duration: 3 hours****Max. Marks 100**

Note: The Paper will contain nine questions having three questions in each section. Candidates are required to attempt five questions in all selecting at least one question from each section.

**Section-A**

Basic Concepts & Methodology, Macro Economic Variables (e.g., national income, employment, saving, investment, price level, wages, interest rate), Real and nominal quantities, Stock and flow variables and their inter- relationship, Problem of aggregation in the construction of Macro Economic variables.

Structure of National Accounts-transactions of consumption, production, investment, government and foreign trade sector. Concepts, components and measurement of national income, Value of Money, changes in the value of money, The Quantity Theory of money and its variants including the Friedman's reformulation of the Quantity Theory, Post- Keynesian Theories of Money Demand.

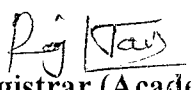
**Section -B**

The Classical Theories of saving, investment, interest rate, wage and employment. The Complete Classical model of determination of employment and output, Say's law, Price and wage flexibility and full employment, The Real Balance Effect, Keynesian criticism of the Classical theories, Keynesian model for the determination of income and employment. The Consumption function hypotheses: Absolute Income, Relative Income, Permanent Income and Life Cycle Hypothesis Business Cycles models of Samuelson, Hicks and Kaldor.

**Section -C**

Macro economic equilibrium- relative roles of Monetary and fiscal policies, IS-LM analysis, Fleming- Mundell open economy model, Stabilization policy: Prospects and problems, Aggregate Demand and Aggregate supply curve analysis.

Phillips curve, The control of inflation and recession in developing and developed economics.

  
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Central Bank and Commercial Banks, Instruments of monetary policy and their relative effectiveness in various situations.

Money Supply, its determinants, High powered money, Money Multiplier, Domestic monetary policy in India since 1981 - Its role, effectiveness in various situations.

**Note:** Use of non – Programmable calculator is permitted.

### Books Recommended:

1. Gardner Ackley: Macro Economic Theory (Latest Ed.) (Macmillan, New York).
2. Martin J Bailey: National Income and the Price Level, Chap. 2 and 3
3. Edward Shapiro: Macro Economic Analysis (Latest Ed.) (Harcourt Brace Jovanovich)
4. K.C. Rana and K.N. Verma: Macro Economic Analysis (Vishal Publishers).
5. William H. Branson and James M. Litvack: Macro Economics (Harper and Row)
6. Rosalind Lavacic : Macro Economics (Macmillan)
7. M.J.C. Surry (Ed): Macro Economic Theories (Tata MacGraw Hill)
8. R.F. Henson: Guide To Keynes (Tata McGraw-Hill)
9. Dadle Dillard: A Guide to Keynes (Tata McGraw-Hill)

### Reference Books:

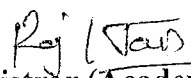
1. M.K. Evans: Macro Economic Activity (MacMillan Publication)
2. M.G. Muller(Ed) Readings in Macro Economics, 1966 (Edward Elgar Publishing)
3. Reserve bank of India: Reports on Currency and Finance
4. Reserve Bank of India: Annual Reports-1998 onwards
5. Reserve Bank of India: Monthly Bulletin
6. J.M. Keynes: The General Theory of Employment, Interest and money (MacMillan Cambridge University Press)
7. Barret: Macro Economic Policy (Prentice Hall)
8. Uma Dutta Roy Choudhary: National Income Accounting, Macmillan India Ltd. Delhi
9. Prabhat Patnaik: Macroeconomics, Oxford University Press
10. A.K Dasgupta: Macroeconomics Analysis (New Delhi Publisher)
11. H.L Ahuja: Samashti Arthshastra (Hindi), Macro Economics (Eng)
12. Rudi Dornbush, S Fisher and R. Startz: Macroeconomics, Tata McGraw- Hill Edition, 2000
13. Raghbendra Jha: Contemporary Macroeconomics (Edward Elgar Publishing)

## PAPER-III QUANTITATIVE METHODS FOR ECONOMICS

**Duration: 3 Hours**

**Max. Marks: 100**

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**Section-A**

Measure of Central Tendency- Mean, Median, Mode, Geometric Mean and Harmonic Mean

Dispersion- Quartile deviation, Mean Deviation, Standard deviation, Coefficient of Variation.

Skewness- Karl Pearson's Coefficient. Correlation and Simple Regression (Emphasis on interpretation).

Analysis of Time Series- Components, Trend by moving average methods and least squares method, Determination of Seasonal Variation

Index number- Cost of living index, Fisher's ideal Index and test of Ideal Index Number

**Section-B**

Probability- Basic concepts and calculation of simple probability problems, Mathematical Expectation, Binomial, Poisson and Normal distributions, Sampling Distribution of t,  $\chi^2$  (chi square) and F and their properties (without proof), Testing of Hypothesis- Basic Concepts, t test (Significance of Mean and Difference between means),  $\chi^2$  test, F test, (test of Independence, homogeneity and Goodness of Fit).

Linear Programming- Formulation, Graphical solution, Simplex Method involving two variables for maximization only.

**Section-C**

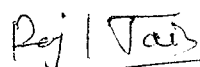
Simple differentiation, Partial Differentiation of Functions involving two independent variables, Maxima and Minima with and without constraints.

Applications of differential calculus in Economics (Utility Maximization, Profit Maximization, Calculation of different elasticities, determination of nature of goods), Integration- One variable case, Definite Integrals, Applications of Integral Calculus in Economics (Derivation of Total Cost function, consumption function, saving function, consumer's surplus and producer's surplus). Differential Equations and its Application in Economics.

First order difference equation and its applications in Economics (Cobweb Model and income Determination), Determinants, Matrices (Multiplication and Inverse). Solution of Simultaneous Equations by Cramer's Rule

**Books Recommended:**

1. S.P Gupta: Statistical Methods, Sultan Chand & Sons, New Delhi.
2. B.C Mehta and G.M.K. Madnani: Mathematics for Economics, Sultan chand & sons, New Delhi.
3. Kailash Nath Nagar: Sankhiyikike Mool Tatva (Hindi) Meenakshi Prakashan, Meerut
4. Laxmi Narain Nathuramka: Arthshastra Mein Ganit ke Prayog (Hindi), College Book House, Jaipur

  
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**Reference Books:**

1. R.G.D Allen: Mathematical Analysis for Economists, MacMillan, London.
2. Alpha C. Chiang: Fundamental Methods of Mathematical Economics, McGraw-Hill, Tokyo.
3. F.F Croxton, D.S Cowden & S. Klein: Applied General Statistics, Prentice Hall of India, New Delhi.
4. A.L. Nagar and R.K. Das: Basic Statistics, Oxford University Press.
5. A.L. Nagar & P.D. Sharma: Statistical Methods of Economic Analysis, S. Chand & Co. New Delhi.
6. Edward T. Dowling: Mathematics for Economists, Schaum's Outline Series, McGraw-Hill Book Co., New Delhi.

**COMPULSORY PAPERS FOR FINAL****Paper- IV: PUBLIC FINANCE****Duration: 3 hours****Max. Marks: 100**

Note: The paper will contain nine questions having three questions in each section. Candidates are required to attempt five questions in all selecting at least one question from each section.

**Section- A**

Nature and Scope of Public Finance, Role of government in the economic activity- Allocation, Distribution and Stabilization functions. Private, Public and Merit goods, Optimal Budgeting, Principle of Maximum Social Advantage, Public Budgets.

Public Expenditure- A positive approach, Wagner's Law, Theory of Social Goods, Bowen, Lindhal and Samuelson's Models. Effects of Public Expenditure on Production and Distribution.

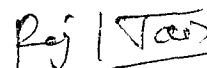
Public Revenue- Buoyancy and elasticity of a tax, Justice in taxation, Ability to Pay Approach, Equi-proportional, Equi-marginal and least aggregate sacrifice principles.

**Section-B**

Shifting and Incidence of taxes under Monopoly and perfect competition, Effects of commodity taxation on production, Effects of direct taxation on Production (viz. Labour supply and saving rate) and distribution, Progressiveness of a tax system and its measurement.

Theory of Public Debt- Economic effects of public debt, Loans and savings as sources of finance for development, Burden of Public debt on present and future generations.

Fiscal Policy – Objectives, neutral, compensatory and Functional finance, Balanced Budget Multiplier, Fiscal policy in under-developed countries, Automatic and built-in-flexibility.



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