



**JAI HIND COLLEGE
BASANTSING INSTITUTE OF SCIENCE
&
J.T.LALVANI COLLEGE OF COMMERCE
(AUTONOMOUS)**

"A" Road, Churchgate, Mumbai - 400 020, India.

**Affiliated to
University of Mumbai**

Program: B. A.

Proposed Courses: Economics

Semester V

**Credit Based Semester and Grading System (CBCS) with effect from the
academic year 2020-21**

T.Y.B.A. Economics Syllabus

Academic year 2020-2021

Semester V			
Course Code	Course Title	Credits	Lectures /Week
AECO501	Advanced Microeconomic Theory	5	4
AECO502	Growth and Development-I	5	4
AECO503	Indian Financial System-I	4.5	3
AECO504	Elementary Mathematics for Economic Analysis	5	4
AECO505	Fundamentals of International Economics	5	4
AECO506	Elementary Statistics for Economic Analysis	4.5	3

Semester VI			
Course Code	Course Title	Credits	Lectures /Week
AECO601	Advanced Macroeconomic Theory	5	4
AECO602	Growth and Development-II	5	4
AECO603	Indian Financial System-II	4.5	3
AECO604	Introduction to Econometrics-I	5	4
AECO605	International Economic Theory and Policy	5	4
AECO606	Introduction to Econometrics-II	4.5	3

Semester V – Theory

Course: AECO501	Advanced Microeconomic Theory (Credits: 05 Lectures/Week: 04)	
	<p>Objectives:</p> <ul style="list-style-type: none"> • To enhance theoretical abilities of the students • To build a deeper understanding of real-world microeconomics <p>Outcomes:</p> <ul style="list-style-type: none"> • Students get knowledge of how to apply economic strategies in real world market settings • Students get acquainted with basic principles of factor pricing • Students get an introduction to the concept of information symmetry 	
Unit I	<p>Collusive and Non-Collusive Oligopoly</p> <ol style="list-style-type: none"> 1. Non-collusive oligopoly: Kinked-demand model, Cournot's Duopoly Model and Stackleberg's Duopoly Model 2. Collusive Oligopoly: Cartels and Price Leadership 	16 L
Unit II	<p>Theory of Factor Pricing</p> <ol style="list-style-type: none"> 1. Marginal productivity theory of factor pricing 2. Wage determination under perfect and imperfect market conditions 3. Theory of Rent 4. Loanable Funds Theory 5. Theory of Profits 	16 L
Unit III	<p>General Equilibrium and Social Welfare</p> <ol style="list-style-type: none"> 1. General Equilibrium Theory: Interdependence in the Economy; Walrasian system; Existence, uniqueness and stability of the equilibrium 2. Criteria of Social Welfare: Pareto Optimality Criterion; Kaldor-Hicks Compensation Criterion, Bergson Criterion 'Social Welfare Function'; Arrow's Impossibility Theorem 	16 L
Unit IV	<p>Economics of Information</p> <ol style="list-style-type: none"> 1. Asymmetric Information – Signalling and Screening 2. Problem of Adverse Selection: The Market for Lemons; Insurance Markets 3. The Problem of Moral Hazard: Efficiency Wage Theory 	12 L
<p>References:</p> <ol style="list-style-type: none"> 1) Koutsoyannis, A, (2008), Modern Microeconomics, Macmillan Press Ltd. 2) N. Gregory Mankiw, (2015), Principles of Microeconomics, 7th Edition, Cengage Learning 3) Pindyck Robert S., Rubinfeld, D. and Mehta, P (2009), Microeconomics, Pearson, New Delhi 4) Hal R. Varian, (2010), Intermediate Microeconomics-A Modern approach, 8th Edition, W.W. Norton & Co 		

Evaluation Scheme

I. **Continuous Assessment (CA) - 40 Marks**

- (i) CA-I: Objective Test– 20 Marks of 30 minutes' duration
- (ii) CA-II: Research project and presentation/ poster from Unit IV

II. **Semester End Examination (SEE)- 60 Marks**



Semester V – Theory

Course: AECO502	Growth and Development-I(Credits: 05 Lectures/Week: 04)	
	<p>Objectives:</p> <ul style="list-style-type: none"> • To introduce the students to basic development issues and concepts • To encourage them to think about the diverse socio-economic aspects of developing economies, particularly India <p>Outcomes:</p> <ul style="list-style-type: none"> • Students get introduced to important economic concepts of welfare and development • Students would be sensitized to some of the contemporary as well as traditional development models, issues and debates, many of which are multidisciplinary in nature 	
Unit I	<p>Introduction to Development</p> <ol style="list-style-type: none"> 1. Economic growth and economic development; Sustainable Development Goals (SDGs); Sen’s Capability Approach 2. Human Development Index and Gender-related Development Index 3. Income indicators of development and their limitations 	16 L
Unit II	<p>Theories of Development</p> <ol style="list-style-type: none"> 1. Rostow’s Stages of Growth; Big Push Theory, Multiple Equilibria and Coordination Failure Model 2. Harrod-Domar model, Structural change and Lewis model 3. Solow’s growth theory, Schumpeter’s theory of development 	16 L
Unit III	<p>Poverty, Inequality and Development</p> <ol style="list-style-type: none"> 1. Measurement of Poverty: Head Count Index and Poverty Gap Indices, Multi-dimensional poverty 2. Measurement of income inequality -Kuznets’s inverted U hypothesis 3. Measures in alleviating poverty and income inequality 	16 L
Unit IV	<p>Issues in Development</p> <ol style="list-style-type: none"> 1. Rural-Urban divide; Urban transformation 2. Development and Environment 3. Rural credit; Microfinance: Issues in financial inclusion and cashless transaction and its impact 	12 L
<p>References:</p> <ol style="list-style-type: none"> 1) Jhingan M. L.(2016), Economics of Development and Planning, 41st edition, Vrinda Publication,New Delhi 2) Meier, Gerald M. and James E. Rauch (2006), Leading Issues in Economic Development, 8th edition, Oxford University Press 3) Thirlwall, A.P. (2005), Growth and Development, 8th edition, Palgrave MacMillan 4) Todaro, Michael P. and Stephen C. Smith, (2017), Economic Development,12th edition, Pearson,New Delhi 		

Evaluation Scheme

I. Continuous Assessment (CA) - 40 Marks

- (i) CA-I: Objective Test– 20 Marks of 30 minutes' duration
- (ii) CA-II: Research project and presentation/ poster from Unit IV

II. Semester End Examination (SEE)- 60 Marks



Semester V – Theory

Course: AECO503	Indian Financial System-I (Credits: 4.5 Lectures/Week: 03)	
	<p>Objectives:</p> <ul style="list-style-type: none"> • To introduce the students to structure of the Indian financial system in India • To familiarize them with the role of financial markets, institutions and instruments <p>Outcomes:</p> <ul style="list-style-type: none"> • Students would have a primary level understanding of the working of financial segments in the country • Students would understand the role of monetary policy on the components of the financial system 	
Unit I	<p>Overview of the Financial System</p> <ol style="list-style-type: none"> 1. Meaning and Components of the financial system 2. Role of the financial system, relationship between financial system and development 3. Indicators of Financial Development: Finance Ratio, Finance Inter-relation Ratio, New Issue Ratio and Intermediation Ratio 	12 L
Unit II	<p>Financial Sector Reforms and RBI</p> <ol style="list-style-type: none"> 1. Review of Financial Sector Reforms (Narasimham Committee Report 1991 and 1998) 2. Monetary Policy of the RBI: Objectives – Recent Developments in the Monetary Policy 3. Transmission Channels of Monetary policy 	12 L
Unit III	<p>Financial Instruments</p> <ol style="list-style-type: none"> 1. Traditional Instruments: Equities, Debentures and Bonds; Hybrid Instruments 2. Different types of Bonds such as Floating Rate Bonds, Zero interest bonds, Deep Discount bonds, Inverse float bonds 	12L
Unit IV	<p>Banking & Non-Banking Financial Institutions</p> <ol style="list-style-type: none"> 1. Commercial Banking: Developments in Commercial banking sector since mid-1980s 2. Management of Non-Performing Assets (NPAs); Capital Adequacy Norms - Basel III 3. Overview of Development Banking and Non-Bank Finance Companies (NBFCs) in India 	9 L
<p>References:</p> <ol style="list-style-type: none"> 1) Bhole L. M. (2017), Financial Institutions and Markets, Growth and Innovation., 6th Edition, Tata McGraw-Hill, New Delhi 2) Bodie, Z. et. el., (2009), Financial Economics, Pearson, New Delhi 3) Pathak Bharati, (2018), The Indian Financial System – Markets, Institutions, and Services, 5th Edition, Pearson, New Delhi 4) RBI Working Papers 		

Evaluation Scheme

I. **Continuous Assessment (CA) - 40 Marks**

- (i) CA-I: Objective Test– 20 Marks of 30 minutes' duration
- (ii) CA-II: Research project and presentation/ poster from Unit IV

II. **Semester End Examination (SEE)- 60 Marks**



Semester V – Theory

Course: AECO504	Elementary Mathematics for Economic Analysis (Credits: 05) Lectures/Week: 04)	
	<p>Objectives:</p> <ul style="list-style-type: none"> • To inculcate quantitative skills among student • To familiarize students with basic mathematical methods needed to interpret and solve economic problems <p>Outcomes:</p> <ul style="list-style-type: none"> • Students get equipped with basic mathematical skills needed to analyse economic problems • Students understand when and how to apply these techniques to real life situations 	
Unit I	<p>1. Derivatives and their applications</p> <p>a) First order and higher order derivatives b) Increasing and decreasing functions c) Optimization of economic functions</p>	15 L
Unit II	<p>Multivariate Functions</p> <p>a) First order and second order partial derivatives b) Economic applications of multivariate functions and their derivatives c) Optimization of multivariate functions d) Constrained optimisation with Lagrange multipliers</p>	15 L
Unit III	<p>Integral Calculus</p> <p>a) Concept and basic rules of Integration b) Economic applications c) Definite integrals and its economic applications</p>	15 L
Unit IV	<p>Linear (Matrix) Algebra</p> <p>1. Matrix Algebra</p> <p>a) Basic operations with matrices b) Cramer’s rule for solving linear equations c) Inverse of a matrix; solving linear equations with an inverse matrix</p>	15 L
<p>References:</p> <p>1) Dowling Edward T,(2019), Introduction to Mathematical Economics, Schaum Outline Series in Economics, Tata McGraw-Hill, New Delhi.</p> <p>2) Dowling Edward T, (2019) Theory and Problems of Mathematical Methods for Business and Economics, Tata McGraw–Hill, New Delhi</p>		

Evaluation Scheme

I. Continuous Assessment (CA) - 40 Marks

- (i) CA-I: Test – 20 Marks of 30 minutes' duration
- (ii) CA-II: Assignments from each unit and surprise class tests – 20 Marks

II. Semester End Examination (SEE)- 60 Marks



Semester V – Theory

Course: AECO505	Fundamentals of International Economics (Credits: 05 Lectures/Week: 04)	
	<p>Objectives:</p> <ul style="list-style-type: none"> • To introduce the students to Fundamental theories of International Economics • To briefly introduce students to Policies related to International Trade • To acquaint students with Factor Movements <p>Outcomes:</p> <ul style="list-style-type: none"> • Students get comprehensive knowledge of international trade theories and ability to analyse trade policy tools and their effects • Students get an understanding of international movement of factors. 	
Unit I	<p>Theories of International Trade-I</p> <ol style="list-style-type: none"> 1. Heckscher-Ohlin Theory; Factor Price Equalization Theory 2. Stolper-Samuelson Theory 3. Rybczynski Theorem 	16 L
Unit II	<p>Theories of International Trade-II</p> <ol style="list-style-type: none"> 1. Technological Gap Theory 2. Product Cycle Theory 3. Intra-Industry Trade Theory 	16 L
Unit III	<p>Trade Policy</p> <ol style="list-style-type: none"> 1. Free Trade and Protection: Advantages and Disadvantages 2. Effects of Tariff; Theory of Optimum Tariff 3. Non-Tariff Barriers and their effects 	16 L
Unit IV	<p>Factor Movements</p> <ol style="list-style-type: none"> 1. Factors determining the mobility of Labour and Capital 2. Challenges and issues in outsourcing 3. Classification of International Capital Flows, Interest Rate Parity 4. Trade and Environment; Trade and Labour issues 	12 L
<p>References:</p> <ol style="list-style-type: none"> 1) International Economics, 5th Ed., (2013 reprint), Cherunilam Francis, Tata McGraw-Hill Education Private Limited, New Delhi 2) International Economics, 7th Revised and Enlarged Edition, (2016), Jhingan, M.L., Vrinda Publications, New Delhi 3) International Economics: Theory and Policy, 10th Edition (2017), Paul Krugman, Maurice Obstfeld, Marc Melitz, Pearson. 4) International Economics, 8th Edition, (2010), Salvatore, Dominick, Wiley India 5) International Economics, 3rd Edition, (2006), Bo Södersten, Geoffrey Reed, Springer Nature. 		

Evaluation Scheme

I. Continuous Assessment (CA) - 40 Marks

- (i) CA-I: Test (Objective) – 20 Marks of 30 minutes' duration
- (ii) CA-II: Research project and presentation/ Poster from Unit IV.

II. Semester End Examination (SEE)- 60 Marks



Semester V – Theory

Course: AECO506	Elementary Statistics For Economic Analysis (Credits: 4.5, Lectures/Week: 03)	
	Objectives: <ul style="list-style-type: none"> • To inculcate quantitative skills among students • To familiarize students with basic statistical methods needed to interpret and solve economic problems Outcomes: <ul style="list-style-type: none"> • Students get equipped with the basic statistical skills required to analyze economic problems • Students get a foundation for learning econometrics 	
Unit I	Measures of Dispersion and Concepts of Moments, Skewness & Kurtosis <ol style="list-style-type: none"> 1. Concepts of Quartile, Deciles, Percentiles 2. Quartile Deviation 3. Standard Deviation 4. Moments; Skewness; Kurtosis 	12 L
Unit II	Correlation and Regression <ol style="list-style-type: none"> 1. Correlation <ol style="list-style-type: none"> a) Karl Pearson's Correlation Coefficient b) Spearman's Correlation Coefficient 2. Regression <ol style="list-style-type: none"> a) Method of Least Squares and Regression Lines b) Regression Coefficients 	11 L
Unit III	Index Numbers and Time Series <ol style="list-style-type: none"> 1. Index numbers <ol style="list-style-type: none"> a) Simple and composite index numbers; construction and uses of index numbers b) Laspeyre's, Paasche's and Fisher's Index numbers c) Cost of living Index, Wholesale Price Index, Consumer Price Index d) Splicing of Index Numbers 2. Time Series <ol style="list-style-type: none"> a) Components of Time Series b) Estimation and Forecasting of Trend by: <ul style="list-style-type: none"> • Least Squares Method • Moving Averages Method 	11 L
Unit IV	Elementary Probability Theory <ol style="list-style-type: none"> 1. Sample space and events; Mutually exclusive, exhaustive and complementary events 2. Conditional probability 3. Binomial probability distribution 	11 L
References: <ol style="list-style-type: none"> 1) Statistical Methods, (2014), 43rd Edition, S.P. Gupta, S. Chand, New Delhi, 2) Statistics-Theory, Methods and Applications, (2017), 7th Edition, D.C. Sancheti and V.K. Kapoor, S. Chand, New Delhi. 		

Evaluation Scheme

I. Continuous Assessment (CA) - 40 Marks

- (i) CA-I: Test – 20 Marks of 30 minutes' duration
- (ii) CA-II: Assignments from each unit and surprise class tests – 20 Marks

II. Semester End Examination (SEE)- 60 Marks

