

SYLLABUS

MANONMANIAM SUNDARANAR UNIVERSITY, TIRUNELVELI-12

UG - COURSES – AFFILIATED COLLEGESCourse Structure for **B.A. Economics**

(Choice Based Credit System)

(with effect from the academic year 2017- 2018 onwards)

Semester-VI				
Part	Subject Status	Subject Title	Subject Code	Credit
III	Core	Macro Economics II	SMEC61	4
	Core	Public Finance II	SMEC62	4
	Core	Money and Banking II	SMEC63	4
	Core	Indian Economy II	SMEC64	4
	Major Elective II	Planning and Growth	SEEC6A	4
		Major Project I	SMEC6P	4



Total Marks: 100 Internal Exam: 25 marks + External Exam: 75 marks

A. Scheme for internal Assessment:

Maximum marks for written test: **20 marks**

3 internal tests, each of **1 hour** duration shall be conducted every semester.

To the average of the **best two** written examinations must be added the marks scored in. The **assignment** for 5 marks.

The break up for internal assessment shall be:

Written test- 20 marks; Assignment -5 marks Total - 25 marks

B. Scheme of External Examination

3 hrs. examination at the end of the semester

A – Part : 1 mark question two - from each unit

B – Part : 5 marks question one - from each unit

C – Part : 8 marks question one - from each unit

➤ **Conversion of Marks into Grade Points and Letter Grades**

S.No	Marks	Letter Grade	Grade point (GP)	Performance
1	90-100	O	10	Outstanding
2	80-89	A+	9	Excellent
3	70-79	A	8	Very Good
4	60-69	B+	7	Good
5	50-59	B	6	Above Average
6	40-49	C	5	Pass
7	0-39	RA	-	Reappear
8	0	AA	-	Absent

➤ **Cumulative Grade Point Average (CGPA)**

$$CGPA = \frac{\Sigma (GP \times C)}{\Sigma C}$$

- **GP** = Grade point, **C** = Credit
- CGPA is calculated only for Part-III courses
- CGPA for a semester is awarded on cumulative basis

➤ **Classification**

- First Class with Distinction : $CGPA \geq 7.5^*$
- First Class : $CGPA \geq 6.0$
- Second Class : $CGPA \geq 5.0$ and < 6.0
- Third Class : $CGPA < 5.0$



MACRO ECONOMICS – II

Preamble:

To enable the students to understand the concepts, theoretical foundations and method of analysis in macro economics. To develop the skill in evaluating macro economic policies of economic development.

Unit – I .

Theories of Distribution

The Ricardian or classical theory of distribution – Criticisms – Marxian theory of Income distribution – critical evaluation – Kaldor's theory of distribution – Critical appraisal of Kaldor's theory.

Unit – II

The Investment Function

Meaning of Capital and Investment : Types of Investment – Induced Vs Autonomous – Determinants of Investment – Rate of Interest – The Marginal Efficiency of Investment (MEI) – Relation between the MEC and the MEI – Factors affecting induced investment.

Unit – III

Keynesian Economics

Keynesian tools and concepts – Effective demand – Under employment equilibrium – Inflationary gap Liquidity preference – Multiplier – Characteristics of Keynesian Economics – Relevance of Keynesian theory in underdeveloped countries.

Unit – IV

Marxian Economics

Economic ideas of Karl Marx – Characteristics of Marxian Economy – Comparison of Karl Marx ideas with Classical and Modern Economists ideas.

Unit – V

Macro Economic Policy

Monetary Policy: Instruments of monetary Policy and its working – Expansionary and Restrictive monetary policy. Instruments of fiscal policy and its working – Pump priming and compensatory fiscal policy.

Text Books:

- | | | |
|--------------------|---|----------------------|
| 1. Macro Economics | - | M.Maria John Kennady |
| 2. Macro Economics | - | Cauvery |

Reference Books:

- | | | |
|----------------------------------|---|-------------------------------|
| 1. Macro Economic Theory | - | M.L.Jhingan |
| 2. Macro Economics | - | D.M. Mithani |
| 3. Principles of Macro Economics | - | C. Rangarajan & B.H. Dholakia |



PUBLIC FINANCE – II

Preamble:

To enable the students to understand the budgetary policy, fiscal policy for the economic development. To understand the local bodies functions and also it stress the importance of finance commission in India.

Unit-I :

Public Goods

Failure of market Economy – Public goods – Pure and Partial Public goods, Private goods and merit goods, characteristics of Public goods.

Unit-II:

Budget

Budget – meaning – Functional Classification of budget – preparation and passing process of budget in India – Government budget and its Structure – Zero budgeting – Highlights of the Current year's budget.

Unit-III:

Fiscal Policy

Meaning and Objectives of Fiscal Policy – Modern Concept of Fiscal Policy - Role of Fiscal Policy in a developing Country like.

Unit-IV:

Local Bodies

Meaning and Structure of local Finance – Difference between State Finance and local Finance – Sources of revenue of local bodies – Problems of local bodies in India.

Unit-V:

Finance Commission

Meaning – Functions of Finance Commission – Procedure and Powers of the Commission – Recent Finance Commission – Major recommendations of the Recent Finance Commission.

Text Books:

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|---------------------|---|-----------------|
| 1. Public Finance | – | K.P.M.Sundharam |
| 2. Public Economics | – | M.L.Jhingan |

Reference Books:

- | | | |
|----------------------------------|---|-----------|
| 1. Public Finance | - | H.L.Batia |
| 2. Public Finance Administration | - | S.L.Goel |
| 3. Public Finance | - | B.P.Tyagi |



MONEY AND BANKING – II

Preamble:

To enable the students to understand the evolution of banking and banking systems in India. Also it highlights the modern banking system.

UNIT-I :

Evolution Of Banking

Definition of Banking – Types of Banking – Unit Banking – Merits and Demerits – Branch Banking – Merits and Demerits.

UNIT-II:

Commercial Banking

Definition, Function of Commercial Banks – Nationalisation of Commercial Banking in India Role of Commercial Bank in a developing economy – Credit Creation of Commercial Banks.

UNIT-III:

Central Banking

Meaning and Origin of Central Banking – Functions of Central Banking Reserve Bank of India (RBI) – Credit Control – Evaluation of function of RBI.

UNIT-IV:

Monetary Policy

Meaning, objectives – instruments of Monetary Policy – Role of Monetary Policy in a developing economy.

UNIT-V:

Modern Banking

Definition, Functions of Modern Banking – E- Banking – NEFT – RTGS – IMPS – Mobile Banking – Debit Cards – Cards.

Text Books:

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|-----------------------------|---|--------------------|
| 1. Money & Banking | – | E. Narayanan Nadar |
| 2. Money, Banking and Trade | – | M.L.Jhingan |

Reference Books:

- | | | |
|---|---|------------------|
| 1. Money, Banking and International Trade | - | K.P.M. Sundaram. |
| 2. Money, Banking and International Trade | - | M.C. VAISH. |
| 3. Modern Banking | - | Dutt & Sundaram |



INDIAN ECONOMY – II

Preamble:

To enable the students to understand capital formation in India. To know the role of service sector in India and also it stress the impact of globalization in India.

UNIT-I

Human Capital

Human Capital – Meaning and Importance – Concept and Forms – Key role in development – Improves Quality of life – Progress and Suggestion – Achievement.

UNIT-II

Capital Formation in India

Capital Formation in India – Capital Formation – Meaning – Importance – Factors influencing reduction of Capital Formation in India – Domestic Capital Formation – Role of Capital Formation in Economic Development.

UNIT-III

Service Sector

Service Sector – Meaning – Sub Sector of Service Sector in India – Emerging Performance of Service Sector in India – Foreign Trade in Service Sector Role of Technology in Service Section.

UNIT-IV

Globalisation

Globalisation and its impact on India – Globalisation – Meaning – Impact of Globalisation in India – Foreign Investment Flows – Employment Situation in India during the era of globalization.

UNIT-V

Current Affairs of India

Current Affairs of India – Corruption – Black money – Cyber Crime – Demonetization and its impact on Indian economy.

Text Books:

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|-------------------|---|------------|
| 1. Indian Economy | - | S.Sankaran |
| 2. Indian Economy | - | Agarwal. |

Reference Books:

- | | | |
|-------------------|---|-----------------|
| 1. Indian Economy | - | Dutt & Sundaram |
| 2. Indian Economy | - | Misra & Puri |
| 3. Indian Economy | - | I.C.Dhingra |



PLANNING AND GROWTH

Preamble:

To help the students to understand the different aspects of process of planning and issues relating to growth and development. To make the students familiar with the developmental issues and solutions of both developed and developing countries.

Unit – I :

Introduction

Definition and meaning of development distinction between economic growth and development – Characteristics of under development economy – Vicious circle of poverty.

Unit – II:

Theories of development

Classical theory – Rostov stages of development – balanced growth and unbalanced growth theory – big bush theory critical minimum effort theory – maximum theory.

Unit – III :

Growth Models

Meaning and uses of growth models Harrod Doman Model -wage goods models.

Unit – IV :

Development issues

Case issues and against industrial and agricultural development – technology intensive and capital intensive technology – technology problems and remedies.

Unit - V :

Planning

Meaning – objectives – types – evaluation – of Indian planning – five year plans achievements and failures – NITI AAYOG – economic reforms.

Text Books:

1. Planning & Growth – Dr.N.Srinivasan
2. Economics of Development and Planning : M.L.Jhingan

Reference Books:

1. Economics of Development and Planning : Kundan Lal, Agarwal
2. Economics of Development : Bright Singh
3. Leading issues in Economic Development : Gerald M. Merer.

