SYLLABUS

MANONMANIAM SUNDARANAR UNIVERISTY, TIRUNELVELI-12

PG - COURSES – AFFILIATED COLLEGES
Course Structure for

M.A. ECONOMICS

(Choice Based Credit System)
(with effect from the academic year 2021- 2022 onwards)

Semester-II				
Part	**Subject Status**	**Subject Title**	**Subject Code**	**Credit**
III	Core - 5	Advanced Micro Economic Theory - II		4
	Core - 6	Macro-Economic Theory and Analysis - II		4
	Core - 7	Mathematical Methods		4
	Core - 8	History of Economic Thought		4
	Elective - 3	Human Resource Development		3
	Elective - 4	Rural Development		3

ADVANCED MICRO ECONOMIC THEORY – II

OBJECTIVE
To impart skills on theories of firm and distribution, welfare Economics, general Equilibrium in closed and open systems of Economic Analysis.

UNIT –I
Alternative Theories of the Firm:
Recent Developments in the theory of pricing – Baumol's theory of sales revenue maximization – Cyert and March model – Maximum rate of growth hypothesis by Marris – Williamson's model of Managerial discretion – Behavioural theory of firm – Game theory.

UNIT –II
Distribution:
Neo-classical approach – Marginal productivity theory – Euler's theorem- the adding up problem – Modern theories of rent, wage, interest and profit – liquidity preference theory of interest – Shackle's theory of profit – Macro theories of distribution – Ricardian, Marxian, Kalecki and Kaldor.

UNIT –III
Welfare Economics:

Pigovian Welfare Economics and Externalities – the compensation criteria – Kaldor, Hicks criteria – Scitovsky criterion – Problems of existence, stability and uniqueness of general equilibrium – Maximisation of Social Welfare – marginal conditions of paretian optimum – pareto optimality and competitive equilibrium.

UNIT –IV
General Equilibrium Analysis:

Walrasian General Equilibrium Analysis – 2x2x2 model – pareto optimality – tatonnement and non- tatonnement process – Social Welfare function – Arrow'S Impossibility Theorem – Second Best Theory.

UNIT –V
Theories of Risk and Uncertainty:

Choice under uncertainity - formalization of uncertainity – choice under uncertainity – contingent consumption – properties of utility function and probabilities – criticisms of the expected utility theory – Risk aversion – The demand for insurance – diversification of risk – Risk spreading – Role of stock market effect of taxation on investment in risky assets.

Learning Outcome
After the completion of the course, the students must be able to
- Have a good understanding of alternative theories of the firms.
- Gain knowledge of Distribution Theories.
- Get a complete knowledge about Welfare Economics and General Equilibrium Analysis.
- Study the Theories of Risk and uncertainty.

Text Book:
1. Koutsoyiannis. A Modern Micro Economics, Macmillan Press, London, 1979.

Books for Reference:
1. Jhingan,M.L. Advanced Economic Theory: Brinda Publications, New Delhi.
2. Baumol, W.J. Economic Theory and Operations Analysis: Prentice Hall of India, New Delhi
3. Cullis and Jones; 1988, Public Economics and Public Choice: Oxford University Press.
4. Gravelle and Rees;1988, Micro Economics: Longman House.
5. Halvarian, Micro Economics (Advanced) Affiliated East West Press
6. Thirlwall, A.P.; 1994, Growth Economics, ELBS.

MACRO-ECONOMIC THEORY AND ANALYSIS -II

Course Objectives:
1. To develop the knowledge on theories, models and policies
1. Governing the function of the different domains of macroeconomic system.
2. To provide the knowledge on the macroeconomic techniques.
3. To identify the different views on interest.

Unit -1:
Neo- Classical and Keynesian Synthesis:
    Neo-Classical and Keynesian views on interest; the IS-LM model; Extension of IS-LM model with government sector-The Classical Vs Keynesian model of Income and Employment-Savings and Investment equality- Keynesian theory of Income, Output and Employment.

Unit - II:
Post-Keynesian Demand for Money:
    Post-Keynesian approaches to demand for money - Approaches of Baumol and Tobin - Keynes's Reformulated Quantity theory of money - Crisis in Keynesian Economics and the revival of monetarism.

Unit - III:
Modern Keynesian Macro Economics:
    Central Proposition of Keynesian macro economics - Mundell - Fleming model-The Great Recession and the Revival of Keynesian Macro Economics.

Unit - IV:
New Keynesian Economics:
    Core proposition of new Keynesian Macro Economics - Wage and price rigidities - Policy Implications of New Keynesian Economics.

Unit - V:
Macro Economic Policies :
    Goal of Macro Economic Polices - Monetary and Fiscal Policy - Effectiveness of Monetary and Fiscal Policy - IS-LM model with labour market and flexible prices - IS-LM model in the Keynesian Analysis.

Course Outcome:
- To evaluate a critical insight on classical and Keynesian macroeconomic models.
- To know the contribution of Baumol and Tobin Approaches.
- To construct a sound knowledge on macro economic policies.
- Have a good understanding of IS-LM model with labour market.

References:
1. M.L.Jhingan (2005), Macro Economic Theory, Vrinda Publication (p) Ltd, New Delhi - 110091.
2. Ahuja, H.L (2007), Macro Economics Theory and Policy - Advanced Analysis, S.Chand & Company Ltd, New Delhi.
3. Jha, Raghbendra (1991). Contemporary Macroeconomic Theory and Policy, Wiley Eastern Limited, New Delhi.
4. Laidler, David E.W. (1977). The Demand for Money: Theories and Evidence, Harper and Row, New York.
5. Errol D 'Souza-Macro Economics' - Pears on Education 2008.
6. Abhijitkunda (2009): Methodology and Perspectives of Social Science - Person Education.
7. Dernbusch, Fisher and Star z -Macro Economics - Tata McGraw - Hill

MATHEMATICAL METHODS

Objectives:

- To familiarize the concepts relating to Matrix
- To make aware of application of matrix technique to the solution of linear equations.
- To impart knowledge on differential calculus.
- To develop the skill of deriving total functions from marginal functions.
- To enable the students to find optimum solution for LPP.

Unit I:
Matrix

Concepts – Types – Basic Operations – Transpose of a Matrix - Determinants - Rank of a Matrix - Inverse of a Matrix.

Unit II:
Application of Matrices

Application of Matrices to the solution of linear equations: Matrix Inverse Method - Cramer's Rule – Gauss-Jordan method.

Application of Matrices in Input - Output Analysis: Basic concepts of Input-Output Analysis – Assumptions – Types of Input-Output model – Importance – Application of Matrices in two sector and three sector economy.

Unit III:
Differential Calculus

Differential Calculus of One Variable: Rules of Differentiation – Maxima and Minima of a Function – Simple Application of Derivatives: Finding Marginal Functions from Total Functions – Elasticity of Demand – Relationship between AC and MC using Derivatives – Maximization of Profit and Revenue - Minimization of Cost.

Differential Calculus of Two Variables: Rules of Partial Differentiation – Maxima and Minima - Applications: Finding Marginal Functions from Total Functions - Cobb-Douglas Production Function – Eulers' Theorem. Total Differentiation.

Unit IV:
Integral Calculus

Rules– Definite and Indefinite Integration – Applications: Deriving Total Function from Marginal Function - Consumer's Surplus - Producer's Surplus.

Unit V:
Linear Programming

Concepts – Formulation of Linear Programming Problem — Graphical method of solving Linear Programming Problem – Applications of LP Technique – Conversion of Primal to Dual.

<u>Learning Outcomes</u>:
After the completion of the course, the students will be able to
1. Solve the simultaneous linear equations.
2. Locate the maxima and minima for the functions.
3. Employ Cobb-Douglas production function in research.
4. Apply integral calculus to find consumer and producer's surplus.
5. Use graphical method to solve LP problems.

Reference Books:
1. Alpha C.Chiang and Kevin Wainwright, Fundamental Methods of Mathematical Economics, Mc Graw Hill Education, 2017.
2. Mehta and Madnani, Mathematics for Economists, Sultan Chand & Sons,2013.
3. R.S.Bhardwaj , Mathematical Methods for Economics and Business, Scholar Tech Press, 2018.
4. .R.G. D.Allen, Mathematical Analysis for Economists, Trinity Press, 2014.
5. G.S.Monga, Mathematics and Statistics for Economics, Sangam Books Ltd., 2001.
6. Edward T. Dowling, Mathematical Methods for Business and Economics, Mc Graw Hill Education, 2009.

HISTORY OF ECONOMIC THOUGHT

Course Objectives:
- To acquaint students with different schools of economic thought.
- To make students understand the contribution of Indian Economists in
- Economics
- To enable students to analyse the Contribution of Nobel laureates in development of economic thought

Unit - I :
Pre-Classical Thought, Classical Economists and Marx

Mercantilism: Main Principles - Physiocracy : Natural order - Agriculture and net product - Quenay's tableau economique concept of surplus growth - Social classes Adam Smith - Division of labour - Theory of value - Laissez faire - Canons of Taxation. - Ricardo : Theory of Rent - Comparative advantage theory of trade - Malthus : The principle of population - Proposals to check population growth - Ricardo - Malthus controversy on Say's law of markets - Marx - Theory of surplus value - Breakdown of the capitalist system.

Unit - II :
Neo-classical and Institutionalist Thought

The Marginalist revolution - Marshall : Time Period - Partial Equilibrium - Consumer's Surplus - Representative Firm - Significance of Marshall in the Evolution of Economics - Institutional Economics : Veblen : Conspicuous Consumption - Theory of Leisure Class - The Workmanship and Predatory Instincts.

Unit - III :
Keynesian Revolution and Modern Thought

Keynesian Revolution - Schumpeter's Theory of Development - New classical Economics - Rational Expectation hypothesis.

Unit -IV :
Indian Economic Thought

Naoroji drains theory - Gandhian Economics : Sarvodaya - Trusteeship - Views on Industrialisation - Smbedkar - Contribution is to monetory economics - Amartaya Sen's Theory of Human Well - being - Economic Policies in Koutalya's Arthasasthra.

Unit- V:
Contribution of Nobel laureates in development of economic thought

Macro Economics: Robert Sollow's (1987) growth model and Edmund S. Phelps's (2006) analysis of intertemporal tradeoffs in macroeconomic policy. Partial equilibrium and general equilibrium theory: Samuelson's(1970) model of business cycle. Micro Economics: Myerson 's (2007) game theory. Welfare Economics: Amarthya Sen's capability theory of Welfare. Political Science: Buchanan's (1986) contractual theory

Learning Outcomes:

After completion of the course the students must be able to have good understanding about different schools of economic thought. Further, Students gain knowledge about the contribution of Indian Economists and Noble laureates in Economics.

References

1. 1.Agmar Sandmo (2012), Economics Evolving, Harvard University.
2. 2.Ganguli, B.N. (197), Indian Economic Thought : (Tata McGraw - Hill, New Delhi.).
3. 3.E.K.Hunt (2007), History of Economic Thought, Eastern Economy Edition, New Delhi.
4. 4.Robert Sollow, " Growth Theory: An Exposition", Oxford University Press, USA.
5. Wiebke Kuklys, "Amartya Sen's Capability Approach: Theoretical Insights and Empirical Applcations". Springer Publishing,New York, USA.
6. https://www.nobelprize.org/prizes/economic-sciences/1986/buchanan/lecture/

HUMAN RESOURCE DEVELOPMENT

Course Objectives:
- To know about Human Resource Development and Human Resource Management.
- To know about the fundamental concepts of socialisation.
- To enable the Students to gain knowledge about the HRD Interventions.
- To know about Realignment and Retention.

Unit –I-
Human Resource development and relationship

Human Resource development –Evolution of HRD-Relationship with HRM – Human Resource Development Functions-Roles and competencies of HRD Professionals –Challenges To Organization and HRD Professionals-Employee Behaviour- External and Internal Influence- Motivation as Internal Influnce-Learning and HRD-Learning Strategies And Styles.

Unit –II-
Frame work of Human Resource Development

Frame work of Human Resource Development- HRD Processes – Assessing HRD needs-HRD Model – Designing Effective HRD Program –HRD Interventions – Creating HRD Programs – Implementing Company Sponsored Training Methods – Self Paced/Computer Based/Company Sponsored Training – On –the-Job and Off-the-Job – Brain Storming – Case Studies- Role Plays – Simulaions – T-Groups – Transactional Analysis

Unit –III-
Evaluation and Applications

Evaluating HRD programs – Models and Frame Work of Evaluation – Assessing the impact of HRD Programs - Human Resource Development Applications – Fundamentals Concepts of Socialization – Realistic Job Review – Career Management and Development.

Unit -IV
Employee counseling and stratagies

Management Development – Employee counseling and wellness services – Counseling as an HRD Activity – Counseling programs – Issues in employee counseling – Employee wellness and health promotion programs – Organizational strategies based on Human Resources

Unit –V-
HR Performances and Work Force

Work Force Reduction, Realignment and Retention – HR Performances and Benchmarking – Impact of Globalization on HRD – Diversity of Work Force – HRD Programs for diverse employees – Expatriate and Repatriate support and development

Course Outcome:
1. To analyse Human Resource Development Functions.
2. Have a good understanding of Roles and Competencies of HRD Professionals.
3. Gain knowledge on Human Resource Development Applications.
4. Have a good understanding of issues in employee counseling.

Reference Books:
1. Werner & Desimone (2006), Human Resources Development, Cengage learning, New Delhi.
2. William E Blank (1982), Handbook for Developing Competency, Based training programs, Prentice Hall, New Jersey
3. Udhay Kumar Haldar (2009), Human Resource Development, Oxford University Press, New Delhi
4. SrinivasKandula (2001), Strategic Human Resource Development, PHI learning, New Delhi

RURAL DEVELOPMENT

Course Objective:
- To impart the knowledge on rural poverty, inequality, unemployment and Regional Disparities.
- To understand the knowledge on NGO's and Social Welfare Organisation.
- To enable the student to gain knowledge about the Panchayat Raj and Co-operatives.
- The objective of the course is to develop and strengthen the knowledge on Rural development programmes.

Unit I –
Introduction:
Concept, Pattern of Development – Pattern of planning – Indicators of rural development – Features of the process of development in different sectors.

Unit II –
Development Issues:
Poverty, inequality, unemployment and Regional Disparities, Land Reform measures size of land holding, better utilization of inputs – Rural industrialization – small scale and cottage industries.

Unit III –
Institutional and organisational changes:
Panchayat Raj and Co-operatives – NGO's and peoples participation – Achievements of NGO's – self help Groups – Determinants of success of the self-help groups – social welfare organisation.

Unit IV:
Developmental programmes and scheme:
Development of Administrative set up – DRDA – SIRD – BDO – development of adequate community leadership – Rural development programmes implementation – MGREGS – DWCRA – IRDP – TRYSEM monetary and evaluation – Area Development programmes MGNREGA – PMGSY – MPLAD – SGSY – NREGA.

Unit V :
Planning and policy
Rural water supply and sanitation – Rural Health care policy – rural roads – education – energy in rural India – Rural Poverty promotion of environment and Integrated development – Family welfare National Population Policy – Rural energy programmes.

Course Outcomes:
- Describe the importance of rural development.

- Analyse the causes and remedies of rural poverty.
- Understand the role of SHG's in rural development.
- Have a good understanding of rural health care policy and rural energy programmes.

References

1. R.P.Misra and K.V Sundaram (1999), Rural Area Development : Perspective and Approaches (S.Chand and Co., New Delhi)
2. Y.B. Mathur (1998), Rural Development in India : 1885 – 1995 (Sage Publictions, New Delhi)
3. Katar Singh (2000), Rural Development Principles., Policies and Management (Sage Publications, New Delhi)
4. P.R. Dubhasi (1999), Policy and Performance, Agricultural and Rural Development in Post independence India.
5. ShriramMaheswari (2000), Rural Development in India (Sage Publications, New Delhi).
6. E.D.Setty (1998), Rural Development Problem and Prospects (Darya Gang. New Delhi).
7. Srivastava M and Singh D.K. 1985 Rural Development in India, Approaches Strategies and programmes. Deep publications, New Delhi.
8. Desai Vasant Rural Development, programmes and strategies, Himalaya publishing house, Mumbai.
9. Tewari. R.T and Sinha R.C (1998) Rural Development in India, Ashish publishing house, Newdelhi.