

**DEPARTMENT OF ECONOMICS  
D.D.U. GORAKHPUR UNIVERSITY  
COURSE STRUCTURE FOR B.A. (ECONOMICS)  
B.A. Part - I**

There shall be two papers each carrying 100 marks.

Paper - I	Micro Economics	-(No Change)
Paper - II	Indian Economy and Elementary Statistics	-(No Change)

**B.A. Part - II**

There shall be two papers each carrying 100 marks.

Paper - I	Money Banking and International Trade	-(No Change)
Paper - II	Public Finance and Employment Theory	-(No Change)

**B.A. Part -III (Modified Structure)**

There shall be three papers each carrying 100 marks.

Paper - I	Macro Economics	-(No Change)
Paper II	Development Planning and Environmental Economics	- -(No Change)

**Optional Papers**  
( Student can opt for any one of the following as Paper-III)

Paper III (A)	Quantitative Techniques ( Mathematics & Statistics)	-( Made Optional)
Paper III (B)	History of Economic thought	-(Introduced as new Optional)

## **ECONOMICS**

### **B.A. Part - I**

**There shall be two papers each carrying 100 marks.**

### **Paper - I**

### **Micro Economics**

Definition and Nature Of Economics; Methodology - Static and Dynamic Analysis, Micro and Macro Analysis; Concept of Margin and Equilibrium.

Theory of Consumer's Behaviour through Indifferencs Curve Technique; Consumer's Surplus; Meaning of Revealed Preference.

Law of Demand: Elasticity of Demand.

Theory of Production and Costs: Production decisions; Production function; Iso-quant; Factor substitution; Law of variable proportions; Returns to scale; Different concepts of cost and their interrelation; Equilibrium of firm; Expansion path.

Theory of Value: Price determination under Perfect Competition; Monopoly and Monopolistic Competition.

General Theory of Distribution: Marginal Productivity Theory; Ricardian Theory of Rent; Distinction between Profit and Rent; Demand and Supply Theory of Wages; Loanable Funds and Liquidity Preference Theory of Interest; Knight's Theory of Profit.

#### ***Books Reccomended:***

Henderson J. and R.E. Quandt, Microeconomic Theory: A Mathematical Approach, McGraw Hill, New Delhi.

Koutsoyiannis, A., Modern Microeconomics, Macmillan.

Lipsey, R.G. and K.A. Chrystal, Principles of Economics, Oxford University Press, Oxford.

Ryan, W.J.L., Price Theory, Macmillan and Co. Limited, London.

Samuelson, P.A. and W.D. Nordhus, Economics, Tata McGraw Hill, New Delhi.

Stonier, A.W. and D.C. Hague, A Textbook of Economic Theory, ELBS & Longman Group, London.

Varian, H.R., Intermediate Microeconomics: A Modern Approach, East-West Press, New Delhi.

Hirshleifer, J and A. Glazer, Price Theory and Applications, Prentice Hall of India, New Delhi.

**B.A. Part - I**  
**Paper - II**  
**Indian Economy and Elementary Statistics**

Structure and Basic Features of Indian Economy; Poverty and Growth; Population - Growth and Structure.

National Income: Growth, Distribution and Composition.

Agriculture: Nature and importance; Trends in agricultural production and productivity; Factors determining productivity; Land Reforms; New agricultural strategy and green revolution; Rural credit; Agricultural marketing; Public Distribution System.

Industry: Industrial development during the planning period; Industrial policy; Industrial licensing policy - MRTP Act, FERA and FEMA; Growth and problems of small scale industries; Role of public sector enterprises in India's industrialization.

Planning in India: Broad objectives, strategy and achievements; State planning in U.P.; Economic development of U.P. under Five Year Plans.

Foreign Trade of India: Composition and direction; Trade policy - import substitution, export promotion; Current position of India's balance of payment.

Elementary Statistics: Measures of Central Tendency - Mean, Median and Mode; Measures of Dispersion; Elementary idea of Correlation ( Karl Pearson's correlation coefficient and Spearman's correlation coefficient).

***Books Recommended:***

Datt, R. and K.P.M. Sundharam, Indian Economy, S. Chand & Company Ltd., New Delhi.

Misra, S.K. and V.K. Puri, Indian Economy -- Its Development Experience, Himalaya Publishing House, Mumbai.

Agrawal, A.N., Indian Economy, New Edge International Pvt Limited, New Delhi.

Government of India, Economic Survey (Annual), Economic Division, Ministry of Finance, New Delhi.

Ahluwalia, I.J. and I.M.D. Little (Eds), India's Economic Reforms and Development ( Essays in honour of Manmohan Singh), Oxford University Press, New Delhi.

Jalan, B, India's Economic Policy -- Preparing for the Twenty-first Century, Viking, New Delhi.

Parikh, K.S., India Development Report -- 1999-2000, Oxford University Press, New Delhi.

Datt, R. (Ed.), Second Generation Economic Reforms in India, Deep & Deep Publications, New Delhi.

Gupta, S.C. and V.K. Kapoor, Fundamentals of Applied Statistics, S. Chand and Sons, New Delhi.

Agarwal, D.R., Statistics for Economists, Vrinda Publications, Delhi.

**B.A. Part - II**

**There shall be two papers each carrying 100 marks.**

**Paper - I**

**Money Banking and International Trade**

Definition and Functions of money; Value of Money -- Measurement of value of Money, Index Numbers; Quantity Theory of Money -- Fisher's and Cambridge Versions.

Inflation, Deflation, Reflation and Stage-flation.

Banking: Types and Functions; Credit creation; Central Banking and Credit control.

Indian Banking: Commercial Bank, Reserve Bank of India; Present Monetary System in India.

Elementary knowledge of Economic Systems.

International Trade: Principle of Comparative costs; Opportunity Cost Theory; Free trade and Protection; Terms of trade; Theories of Rate of Exchange -- Balance of Payments and Purchasing power parity Theory; Balance of Payments, Policies to correct disequilibrium in Balance of Payments;

International Institutions: I.M.F, I.B.R.D and its affiliates, World Trade Organisation(WTO).

***Books Recommended:***

Gupta, S.B., Monetary Economics, S. Chand & Company, New Delhi.

Gupta, S.B., Monetary Economics: Institutions, Theory and Policy, S. Chand & Company, New Delhi.

De Kock, M.H., Central Banking, Staples Press, London.

Halm, G.N., Monetary Theory, Asia Publishing House, New Delhi.

Mishra, S.S., Money, Inflation and Economic Growth, Oxford & IBH Publishing Company, New Delhi.

Sayers, R.S., Modern Banking, Oxford University Press, New Delhi.

Kenan, P.B., The International Economy, Cambridge University Press, London.

Kindlberger, C.P., International Economics, R.D. Irwin, Homewood.

**B.A. Part -II**  
**Paper - II**  
**Public Finance and Employment Theory**

Nature of Public Finance; Public and Private Finance; Principle of Maximum Social Advantage; Concept of social goods.

Public Revenue: Kinds of Public Revenue; Taxation - Classification, Characteristics, Incidence and Effects, Equity in taxation, Taxable Capacity.

Public Expenditure: Scope and Objectives of Public Expenditure; Classification of Public Expenditure; Effects of Public Expenditure.

Public Debt: Burden and Redemption; Financial Administration

Fiscal policy: Meaning of fiscal policy; Objectives and Instruments of fiscal policy; Deficit Financing.

Theory of Employment -- Say's Law of markets and Classical Theory of Employment; Keynesian Theory: Effective Demand, Consumption function -- Average and Marginal Propensity to Consume, The Investment Multiplier; Theory of Investment -- Autonomous and Induced Investment, Marginal Efficiency of Capital.

***Books Recommended :***

Musgrave, R.A. and P.B. Musgrave, Public Finance in Theory and Practice, McGraw Hill, Kogakusha, Tokyo.

Herber, B.P., Modern Public Finance, Richard D. Irwin, Homewood.

Dolton, H., Public Finance.

Ackley, G., Macroeconomics : Theory and Policy, Macmillan Publishing Company, New York.

Shapiro, E., Macroeconomic Analysis, Galgotia Publications, New Delhi.

Dillard, D., The Economics of John Mayard Keynes, Crossby Lockwood and Sons, London.

Keynes, J.M., The General Theory of Employment, Interest and Money, Macmillan, London.

**B.A. Part -III**  
**There shall be three papers each carrying 100 marks.**  
**Paper - I**  
**Macro Economics**

Equilibrium: Concept and Types of equilibrium.

Concept and Measurement of National Income, Composition of National Income; Determination of national income both in closed and open economy, Multiplier and Acceleration principles; Interaction between multiplier and accelerator, Elementary idea of IS-LM Model.

Keynesian Economics: Concept of full employment; Developments in Consumption, Investment and Liquidity Preference Functions.

Economic Fluctuations : Types of fluctuations; Theories of trade cycle.

Economic Dynamics : Classical model; Harrod-Domar model of economic growth.

Economic Policy : Objectives and role of economic policy in economic development; Theory and tools of fiscal policy. Monetary policy-quantitative and qualitative controls and their limitations; Trade and Exchange policies.

***Books Recommended :***

Ackley, G., Macroeconomics : Theory and Policy, Macmillan Publishing Company, New York.

Shapiro, E., Macroeconomic Analysis, Galgotia Publications, New Delhi.

Dillard, D., The Economics of John Mayard Keynes, Crossby Lockwood and Sons, London.

Keynes, J.M., The General Theory of Employment, Interest and Money, Macmillan, London.

Branson, W.A., Macroeconomic Theory and Policy, Harper and Row, New York.

Dornbusch, R. and F. Stanley, Macroeconomics, McGraw Hill, Inc., New York.

Surrey, M.J.C.(Ed.), Macroeconomic Themes, Oxford University Press, Oxford Press.

Gordon, R. and S.G. Harris, Macroeconomics, Addison Wesley.

**B.A. Part -III**  
**Paper II**  
**Development Planning and Environmental Economics**

Meaning, Measurements and Indicators of Development; Concept of Sustainable Development.

Causes of Underdevelopment: Circular causation, Over-population, Technological Backwardness, Lack of Capital and Extent of Market.

Factors Contributing to Development Planning: Technological Progress, Capital Formation -- Surplus Labour and Capital Formation; Natural Resources, Capital-output ratio.

Problems of Development Planning: Choice of Production Techniques and Investment Criteria; Planning for Human Resource Development.

Theories of Development: Classical, Marx and Schumpeter Approach to Development, Rostow's Theory of Stages of Economic Growth; Leibenstein's Theory of Critical Minimum Efforts; Nelson's Theory of Low Level of Equilibrium Trap; Big Push Theory; Balanced and Unbalanced Growth Approach.

Elementary Idea of Cost-Benefit Analysis.

Environment and Ecology: Environment-economy linkage, Environment as a necessity and luxury, Environment as a public goods, Market failure for environmental goods, Valuation of environmental damages -- Land, Water, Air and Forest.

***Books Recommended :***

Higgins, B., Economic Development, Norton, New York.

Higgins, B., Economic Development: Principles, Problems and Policies, Central Book Depot, Allahabad.

Meier, G.M., Leading Issues in Economic Development, Oxford University Press, New Delhi.

Thirlwall, A.P., Growth and Development, Macmillan, London.

Sen, A.K. (Ed.), Growth Economics, Penguin, Harmondsworth.

Todaro, M.P., Development Planning: Models and Methods, Oxford University Press, Oxford.

Ehrlich, P., A. Ehrlich and J. Hilden, Economics, Population, Resources, Environment, W.H. Freeman, San Francisco.

Hemple, Lamont C., Environmental Economics: The Global Challenge, First East West Press, Edinburgh.

Lopez, R.E., Where Development Can Go Or Can Not Go, The Role of Poverty-Environment Linkages, Annual World Bank Conference on Development Economics, World Bank, Washington D.C.

Maler, K.G., Environment, Poverty in Economic Growth, Annual World Bank Conference on Development Economics, World Bank, Washington D.C.

Mehrotra, S. and J. Richard, Development With a Human Face, Oxford University Press, New Delhi.

**B.A. Part -III**  
**Paper III (A)**  
**Quantitative Techniques (Mathematics & Statistics)**

Differentiation: Concept of limits, Elementary idea of differentiation of a function, Differentiation of simple functions, Differentiation of sums and quotient of functions, Differentiation of functions of a function, Second order differentiation, Elementary idea of Minima and Maxima, Elementary idea of Partial differentiation, Lagrange Multiplier Method, Application of differentiation to simple economic problems, Simple integration and its application.

Matrix Algebra : Addition and Multiplication of Matrices, Different types of Matrices, Transpose and Adjoint of Matrices, Inverse of Non-Singular Matrix, Determinants, Use of Determinants and Non-Singular Matrices for solving linear simultaneous equation (Cramer's rule).

Scope and Definition of Statistics, Summation notation, Graphical & Diagrammatic Representation of Data; Histogram, Frequency Polygon & Curves, Ogive, Measures of Central tendencies--Mean, Median, Mode, Quartiles and Percentiles; Measures of Dispersion -- Mean and standard Deviation, Skewness and Kurtosis; Moments upto fourth order; Karl Pearson's Coefficient of Correlation and Rank Correlation, Calculation of Pearson's Coefficients,

***Books Recommended:***

Allen, R.G.D., Mathematical Analysis for Economists, Macmillan Press, London.

Chiang, A.C., Fundamental Methods of Mathematical Economics ( 3rd Edition), McGraw Hill, New Delhi.

Gupta, S.C. and V.K. Kapoor, Fundamentals of Applied Statistics, S. Chand and Sons, New Delhi.

Yamane, Taro, Mathematics for Economists.

Agarwal, D.R., Quantitative Methods, Vrinda Publications, Delhi.

Agarwal, D.R., Statistics for Economists, Vrinda Publications, Delhi.



**B.A. Part -III**  
**Paper III (B)- Optional**

**History of Economic thought**

**Early Period:**

Mercantilists: Views on trade and economic development

Physiocrats: The Natural Order, Tableau Economique, Trade and Laissez faire, Contributions of Turgot- Petty, Lock, Hume.

**Pre- Classical & Classical Period:**

Adam Smith: Naturalism & Optimism, Division of labour, Theory of value, Economic progress, Taxation.

David Ricardo: Theories of distribution and value.

T. R. Malthus: Theories of Population and Glut.

Karl Marx: Dynamics of Social change, Surplus value, Profit, Criticism of Capitalism.

Nationalist School: Hamilton and Fedrek List.

J.B. Say: Law, Identity and Quantity.

J.S. Mill: Theory of value, Problem of Depression, Dynamics of Distribution, Stationary State.

J. Bentham: Utilitarianism

**Marginalism & Neo- Classical:**

Jevons & Gossen: Economic ideas

The Austrian School: Bohm Bohwark, Von Weiser

Alfred Marshall: Utility and demand, Quasi-Rent, Production and supply, External & Internal economics,

Wicksell: General theory of capital

A.C. Pigou: Ideas on Welfare economics and post- Keynesian.

**Keynes & Post-Keynes:**

Aggregate economy, Liquidity Preference, Role of fiscal policy, Deficit spending.

Friedman: Money and consumption.

Schumpeter: Role of entrepreneurship and innovation.

**Indian Economic Thought:**

Economic ideas of Kautilya, Naoroji, R.C. Dutt and Gokhale.

Mahatma Gandhi: Place of Machinery and Labour, cottage Industry, Swadeshi, trustee ship.

Thought of J. K. Mehta.

References:

Blaug, M: Economic Theory in Retrospect, Cambridge, UnivPress.

Schumpeter J.A.: History of Economics Analysis, Oxford UnivPress.

Gide C and G. Rist: A History of Economics Doctrines, George Harrop & c., London.

Gandhi. M.K. : India of My Dreams, Navjivan Publishing House, Ahmedabad.

H.L. Bhatia: History of Economic thought.