Micro Economic Analysis

The course analyses the economic behaviour of individuals, firms and markets. It is mainly concerned with the objective of equipping the students in a rigorous and comprehension manner with various aspects of consumer behaviour and demand analysis, production theory and behaviour of costs, the theory of traditional markets and equilibrium of firm in modern non-profit maximizing framework. The course also deals with the micro and macro theories of distribution, welfare economic, and general equilibrium in closed and open systems and analysis of economic behaviour under uncertainty.

Block 1: Consumer Behaviour

Unit 1: Theory of Consumer Behaviour: Basic Themes
Unit 2: Theory of Demand: An Alternative Approaches
Unit 3: Recent Developments of Demand Theory

Block 2: Producer Behaviour

Unit 4: Theory of Production
Unit 5: Theory of Cost
Unit 6: Production Economics
Block 3: Price and Output Determination - I

Unit 7: Perfect Competition
Unit 8: Monopoly
Unit 9: Monopolistic Competition

Block 4: Price and Output Determination-II

Unit 10: Non-Collusive Oligopoly
Unit 11: Collusive Oligopoly
Unit 12: Alternative Theory of Firm-I
Unit 13: Alternative Theory of Firm-II

Block 5: Welfare Economics

Unit 14: Pigovian vs. Paretain Approach
Unit 15: Social Welfare Function
Unit 16: Imperfect Market, Externality and Public Goods
Unit 17: Social Choice and Welfare

Block 6: General Equilibrium

Unit 18: Partial and General Equilibrium Approaches
Unit 19: Production without Consumption

Block 7: Economics of Uncertainty

Unit 20: Choice in Uncertain Situations
Unit 21: Insurance Choice and Risk
Unit 22: Economics of Information

Block 8: Non-Cooperative Game Theory

Unit 23: Modelling Competitive Situations
Unit 24: Solution Concepts of Non-Cooperative Games
Unit 25: Games of Incomplete Information
Unit 26: Repeated Games

Quantitative Methods for Economic Analysis

The main objective of the course is to train the students to use the techniques of mathematical and statistical analysis, which are commonly applied to understand and analyse economic problems. The emphasis of the course is on understanding economic concepts with the help of mathematical methods rather than learning mathematics itself. Hence in this course a student will be initiated into various economic concepts, which are amenable to mathematical treatment. The course also deals with simple tools and techniques, which will help a student in data collection, presentation, analysis and drawing
inferences about various statistical hypotheses.

Block 1: Introduction to Differential Calculus
Unit 1: Functions, Limit and Continuity
Unit 2: Differential Calculus
Unit 3: Partial Differentiation

Block 2: Extreme Values and Optimisation
Unit 4: Maxima and Minima
Unit 5: Unconstrained Optimisation
Unit 6: Constrained Optimisation

Block 3: Integral Calculus and Economic Dynamics
Unit 7: Integration and Applications of Economic Dynamics
Unit 8: Differences Equations and Economic Dynamics

Block 4: Linear Algebra and Economics Application
Unit 9: Vectors and Matrices
Unit 10: Linear Algebra
Unit 11: Input-Output Analysis
Unit 12: Linear Programming

Block 5: Statistical Methods - I
Unit 13: Descriptive Statistics and Data Presentation
Unit 14: Correlation and Regression
Unit 15: Probability Theory
Unit 16: Probability Distributions

Block 6: Statistical Methods - II
Unit 17: Sampling Theory
Unit 18: Sampling Distribution
Unit 19: Statistical Inference

Macro Economic Analysis

Macroeconomics or aggregative economics analyses and establishes the functional relationship between economy level/aggregates. Aggregative analysis has assumed such a great significance in recent times that a prior understanding of macroeconomic theoretical structure is considered essential for proper comprehension of different issues and policies. Macroeconomics now is not only a scientific method of analysis but also a body of empirical economic knowledge.

The course equips the students at the postgraduate level to understand systemic facts and theoretical developments for empirical analysis.

Block 1: Traditional Approaches to Macroeconomics
Unit 1: Classical and Keynesian Approaches
Unit 2: Neoclassical Synthesis
The study of economic development has gained importance because of sustained interest of the developing countries in uplifting their economic conditions by restructuring their economies to acquire greater diversity, efficiency and equity and consonance with their priorities. While few success stories can be counted, many have grappled with chronic problems of narrow economic base, inefficiency and low standard of living. For this and other reasons, there have been many approaches to economic development. In recent times, besides hardcore economic prescriptions to development, concerns hitherto relegated to background like education, health, sanitation and infrastructure development, have found a place of pride in explaining the preference to various economies.

Units incorporated in the course are devoted to theories of growth and development, social and institutional aspects of development, importance of agriculture, and the rationale and pattern of industrialization in developing countries. Other important issues in the context of development such as infrastructure-linkages, role on international trade, importance of domestic macroeconomic policies, investment criteria, and relevance of planning have been including in the units.
Block 1: Economic Growth Models - I
Unit 1: Introduction to Economic Growth
Unit 2: Harrod Domar Growth Model
Unit 3: Neo-classical Growth Models

Block 2: Economic Growth Models - II
Unit 4: Growth and Distribution
Unit 5: Total Factor Productivity and Growth Accounting
Unit 6: Technological Change and Progress

Block 3: Economic Growth Model-III
Unit 7: Models of Optimal Economic Growth
Unit 8: Multi-Sector Models of Growth
Unit 9: Endogenous Growth Models
Unit 10: Stochastic Growth Models

Block 4: Social and Institutional Aspects of Development
Unit 11: Development and Underdevelopment
Unit 12: Measurement and Indicators of Development
Unit 13: Population and Development
Unit 14: Economic Development and Institutions
Unit 15: Market Incompleteness and Informal Institutions in the Rural Economy

Block 5: Theories of Development
Unit 16: Classical Theories of Development
Unit 17: Schumpeter and Capitalistic Development
Unit 18: Theories of Underdevelopment

Block 6: Development Strategies
Unit 19: Allocation of Resources
Unit 20: Cost-Benefit Analysis
Unit 21: Role of Planning
Unit 22: Trade and Development

Indian Economic Policy

The objective of the course is to sharpen the analytical faculty of the student, by highlighting an integrated approach to the functional aspects of the Indian economy. Keeping in view the scope for alternative approaches, the emphasis of the course is on overall social, political and economic environment influencing policy decisions. To develop all these themes, the course is divided into specific units.

Block 1: Framework on Indian Economy
Unit 1: Economic Policy: An Introduction
Unit 2: Trend and Structure of National Income
Unit 3: Demographic Features and Indicators of Development
Unit 4: Poverty and Inequality: Policy Implications
Unit 5: Employment and Unemployment: Policy Implications
Block 2: Development Strategies in India
Unit 6: Planning in India: Objectives Strategies and Evaluation
Unit 7: Economic Reforms in India
Unit 8: Critique of Economic Reforms

Block 3: Sectoral Performance I
Unit 9: Agriculture: Growth, Productivity Trends and Crop Patterns
Unit 10: Issues and Concerns in Indian Agriculture
Unit 11: Industrial Sector in Pre-reform Period
Unit 12: Industrial Sector in Post-reform Period

Block 4: Sectoral Performance II
Unit 13: Infrastructure
Unit 14: Indian Financial System: Money Market and Monetary Policy
Unit 15: Capital Market in India and Working of SEBI

Block 5: Sectoral Performance III
Unit 16: Foreign Trade and Balance of Payment
Unit 17: India and International Institutions
Unit 18: Multinational Corporations and Foreign Capital
Unit 19: Government Finance: Union and States
Unit 20: Fiscal Federalism in India

Block 6: Governance of the Economy
Unit 21: Implementation of Economic Policies and Parallel Economy
Unit 22: Role of Bureaucracy and Delivery Mechanism in Implementation of Economic Policies
Unit 23: Implementation of Economic Policies: Role of Panchayat and Pressure Groups

Second Year

Public Economics
Role and functions of the government in an economy have been changes with the passage of time. The term public finance has traditionally been applied to the package of those policies and operations, which involve the use of tax and expenditure measures while budgetary policy is an important part to understand the basic problems of use of resources and distribution of income. There are vast array of fiscal institutions – tax systems, expenditure programme, budgetary procedures, stabilization instruments, debt issues, levels of government, etc., which raise a spectrum of issues arising from the operation of these institutions. Further, the existence of externalities, concern for adjustment in the distribution of income and wealth, etc. require political processes for their solution in a manner, which combines individual freedom and justice. The course combines a thorough understanding of fiscal institutions with a careful analysis of the issues, which underline budgetary policies in general and Indian experience in particular.

Block 1: Public Economics: Basic Concepts
Unit 1: Welfare Foundations of Economic Policies
Unit 2: Theory of Market Failure
Unit 3: Voting and Local Public Goods

Block 2: Social Choice and Collective Decision Making
Unit 4: Arrow's Impossibility Theorem: Social Choice and Individual Values
Unit 5: Normative Models: Equity and Justice
Unit 6: Spatial Voting Models

Block 3: Public Policy: Mechanisms Design, Agenda Setting and Information

Unit 7: The Basics of Public Policy
Unit 8: Mechanism Design
Unit 9: International Policy Coordination

Block 4: Economics of Taxation

Unit 10: Commodity Taxes
Unit 11: Direct Taxes
Unit 12: Introduction to Optimal Taxation

Block 5: Public Debt

Unit 13: Theory of Public Debt
Unit 14: Source of Public Debt
Unit 15: Management of Public Debt

Block 6: Fiscal Federalism

Unit 16: Fiscal Federalism and Fiscal Policy
Unit 17: Equity and Efficiency Issues
Unit 18: State and Local Goods

---

International Trade and Finance

The course aims to provide an understanding of the theories that tend to govern the flow of trade in goods, services and capital across nations. While acquainting the students with these doctrines and their limitations, the contents of the course are spread over different units, laying stress on the theoretical foundations of trade theory which, in turn, will help in examining the impact of such theories on trade policies as are followed at national and international levels. The course also provides an idea of the welfare implications of these policies relating to trade, at macro level. It also would cover issues of the distribution of gains from trade between the North and South with particular reference to India. The study of international trade and finance in this course aims to make the students familiar with the likely consequences of globalisation on income, employment, social standards and the possible policy solutions as the world moves in the 21st Century.

Block 1: International Trade Theory
Unit 1: Free Trade Theory
Unit 2: Alternative Explanations of Trade
Unit 3: Gains from Free Trade and Welfare

Block 2: Trade Policy
Unit 4: Theories of Protectionism
Unit 5: Role of WTO in Trade Policy
Economics of Social Sector and Environment

The course is meant to provide insights into the application of economic theory in the design and implementation of public policy related to the management of environment and social sectors. The course finds roots in welfare economics, national income accounting, macroeconomic policies and trade and development.

Units incorporated in the course are devoted to issues of environmental economics, environmental and social services and the problem of valuation of these services, and designing of instruments and institutions for the management of environment. The models of optimal use of natural resources, macroeconomic issues, sustainable development, environmental resource problems in India and the economics of health and education constitute the other areas of the course.

Block 1: Society and Economic Development: Some Hard Facts
Unit 1: Inequality and Development: Concepts and Measurement
Unit 2: Inequality and Poverty
Unit 3: Natural Resources and Development

Block 2: Society Beyond Market
Unit 4: Market Failure and its Sources
Unit 5: Government Regulation in the Economy
Unit 6: Institutional Economics

Block 3: Sustainable Development and Environment
Unit 7: Green Accounting
Unit 8: Valuation of Environment
Unit 9: Theory of Environmental Policy

Block 4: Natural and Common Property Resources

Unit 10: Natural Resource Management
Unit 11: Common Property Resource Management
Unit 12: Environmental and Natural Resource Problems in India

Block 5: Economics of Education

Unit 13: Education and Economic Development
Unit 14: Demand and Supply considerations of Education
Unit 15: Educational Planning and Economic Growth
Unit 16: Educational Financing

Block 6: Health Economics

Unit 17: Health Dimensions of Development
Unit 18: Determinations of Health Status
Unit 19: Economic Dimensions of Financing of Healthcare

Research Methods in Economics

Many of the students at post-graduate level intend to pursue research degree programmes after completion of their Masters' degree in Economics. The proposed course will be an effort to develop such an aptitude among them. The objective of the course is to equip the learners with the research methods, which are applied in undertaking the research projects/programmes in Economics. This course will introduce and familiarize the students the issues and perspectives of research methodology, research design, tools of data analysis and database of the Indian economy.

Block 1: Research Methodology: Issues and Perspectives
Unit 1: Positivist View on Nature of Science
Unit 2: Post Positivist View on Nature of Science
Unit 3: Models of Scientific Explanation
Unit 4: Debates on Models of Explanation in Economics

Block 2: Methods and Design of Research

Unit 5: Research Methodology: Conceptual Foundations
Unit 6: Data Collection: Census and Survey Methods
Unit 7: Sampling Design
Block 3: Quantitative Methods-I

Unit 8: Correlation and Regression Analysis
Unit 9: Two Variable Regression Models
Unit 10: Multiple Regression Model

Block 4: Quantitative Methods-II

Unit 11: Measures of Inequality
Unit 12: Time Series Analysis
Unit 13: Index Numbers

Block 5: Qualitative Methods

Unit 14: Qualitative Research and Techniques
Unit 15: Qualitative Data: Formatting and Processing
Unit 16: Analysis and Presentation of Qualitative Data
Unit 17: Application of RRA/PRA Approaches: A Case Study of Improved Health

Block 6: Data Base of Indian Economy

Unit 18: Macro-variable Data: National Income, Saving and Investment
Unit 19: Agricultural and Industrial Data
Unit 20: Trade and Finance
Unit 21: Social Sector

Project Work - MECP-001

In the MA (Economics) programme the student has a choice between MEC-009: Research Methods in Economics and MECP-001: Project Work. While evaluation for MEC-009 is on the basis of assignments and TEE that for MECP-001 is based on submission of a Project Report and viva voce examination on the project report submitted. There is no assignment for MECP-001

The student is expected to conduct an in-depth study on a topic and reveal his/her analytical and presentation skills. Therefore, the topic for project report should be precise. Project Report should be of about 8000-10000 words (about 50-60 pages), typed double space. a Project Guide is dispatched to students along with study material to help them in preparing the Project Report.

The Study Centre provides a supervisor (one of the Academic Counselors for this Course) at the Study Centre for preparation of the Project Report. The student is expected to develop a Project Proposal in consultation with the supervisor allotted to him/her by the Study Centre. The Project Proposal duly
endorsed by the supervisor is submitted to the Faculty of Economics, School of Social Sciences, IGNOU, New Delhi for approval. Project Report submitted without a supervisor or without the approval of the proposal by the Faculty of Economics at IGNOU headquarters will not be accepted for evaluation by SR&E Division.

Before writing the Project Report, the Project Proposal should be sent for approval to ‘The Programme Coordinator, MA (Economics) Programme, Block F, School of social Sciences, IGNOU Campus, Maidan Garhi, New Delhi 110 068’. A proforma for submission of Project Proposal is included in the Project Guide.

When the Project Report is complete, it should be sent to the Registrar SR&E Division, IGNOU, Maidan Garhi, New Delhi -68 for evaluation purpose, Completed project report should NOT be sent to the Programme Coordinator/Faculty of Economics.

Econometric Methods

Applications of economic theory need a reasonable understanding of economic relationships and relevant statistical methods. The econometric theory thus becomes a powerful tool for understanding of applied economic relationships and for meaningful research in economics. The course accordingly is devoted to equip students with basic theory of econometrics and relevant applications of the methods. The topics covered in the course include various problems faced in estimation of both single equations and simultaneous equations models. The course also covers various econometric methods applicable to different topics in economics and those needed for applied economic research. The course requires a good understanding of calculus on the part of the learner.

Block 1: Basic Econometric Theory
Unit 1: Introduction to Econometric
Unit 2: Estimation of Two-variable Regression Model
Unit 3: Statistical Inference in Simple Regression Models
Unit 4: Multiple Regression Model
Unit 5: Generalised Least Squares

Block 2: Treatment of Violations of Basic Assumptions
Unit 6: Multicollinearity
Unit 7: Auto Correlation
Unit 8: Heteroscedasticity
Unit 9: Errors in Variables

Block 3: Extensions of Regression Models
Unit 10: Dummy Variable Models
Unit 11: Autoregressive and Distributed Lag Models
Unit 12: Discrete Dependent Variable Models
M. A. Economics Syllabus   IGNOU 2016

Block 4: Simultaneous Equation Models
Unit 13: Introduction to Simultaneous Equation Models
Unit 14: Identification Problem
Unit 15: Estimation of simultaneous Equation Models

Block 5: Multivariate Analysis
Unit 16: Introduction to Multivariate Analysis
Unit 17: Principal Component Analysis
Unit 18: Factor Analysis

Actuarial Economics: Theory and Practice
The course develops the basic actuarial techniques that are used for insurance purposes. It covers the techniques drawn from statistics, financial mathematics along with the insights of economic theory to equip the learners with the insurance processes. The course requires a good understanding of quantitative methods on the part of the learner.

Block 1: Quantitative Techniques for Risk Analysis
Unit 1: Applied Probability I
Unit 2: Applied Probability II
Unit 3: Stochastic Process
Unit 4: Application to Finance

Block 2: Actuarial Techniques I
Unit 5: Valuing Risk Management
Unit 6: Stochastic Models in Insurance
Unit 7: Theory of Interest

Block 3: Actuarial Modelling I
Unit 8: Life Insurance
Unit 9: Collective Insurance and Company Operations
Unit 10: Insurance Pricing

Block 4: Actuarial Techniques II
Unit 11: Cash Flow Projections
Unit 12: Life Contingencies
Unit 13: Credibility Theory

Block 5: Actuarial Modelling II
Unit 14: Reinsurance
Unit 15: Extreme Value
Unit 16: Stochastic Control and Insurance

Block 6: Non-Life Reserving and Accounts
Unit 17: Reserving Techniques
Unit 18: Dynamic Financial Analysis

Block 7: Introduction to Regulation of Insurance
Unit 19: Forms of Regulation
Financial Institutions and Markets

The positive and significant role of financial institutions in the process of growth and development has been well recognised in the literature and indeed has become more important during the last two decades as the financial systems of different countries have become integrated in the process of globalisation. India is no exception and has taken far reaching measures since 1991 in this direction. It is, therefore, essential that students of economics should be well conversant with the theory and practice of different financial institutions and markets to understand and analyse the interconnection between monetary forces and real forces, their developmental role and limitations in shaping and influencing the monetary and related policies both at national and international levels.