

M.A. III SEMESTER

HCT 3.1: PUBLIC ECONOMICS-I

Preamble: This course in Public Economics delves into the role and functions of government in economic systems. It explores the principles guiding government decisions, mechanisms of resource allocation, public choice theory, public expenditure, and fiscal policy. Students will examine market failures, public goods, and the economic rationale for government intervention to promote maximum social advantage and stability.

Module-I: Role of Government

Public Economics: Origin, Meaning and Subject Matter. Role of Government, Functions of Government: Allocation, Distribution and Stabilization. Principle of Maximum Social Advantage - Musgrave views on Maximum Social Advantage. Market Failure: Decreasing Costs, Provision of Public Goods; Externalities; Informational Asymmetry; Theory of Second Best.

Module- II:Public Choice

Voting systems: Concepts and Types, Majority voting and its instability; Problem of Preference Revelation: Wicksell, Buchanan and Tullock views; Political equilibrium. Bowen's Model; Arrow's Impossibility Theorem; Black Theorem; Economic Bureaucracy: Niskanen Monopoly Government; Rent Seeking and Directly Unproductive Profit Seeking (DUP) Activities.

Module- III: Rationale for Resource Allocation

Allocation of Resources: Benefit Approach: Lindahl Voluntary Exchange Model; Ability to Pay Approach. Samuelson Theory of Public Goods; Tiebout Model; Buchanan Theory of Club Goods.

Module-IV: Public Expenditure and Public Debt

Theories of Public Expenditure: Wagner's Law of Increasing State Activities, Wiseman-Peacock Hypothesis. Criteria for Public Investment: Social Cost-Benefit Analysis. Public Debt: Sources and Principles of Debt Management and Repayment; Crowding Out of Private Investments.

Module-V: Public Budget and Fiscal Policy

Meaning of budget - Requisites of good Budget - Kinds of budget - Balanced and unable budget - Zero-based budgeting - kinds of deficit and deficit financing Fiscal Policy - Fiscal Policy and Price Stability - Full Employment, Economic Growth.

Course Outcomes:

After the completion of the course, students shall be in a position to:

- Explain the origin, meaning, and scope of Public Economics.
- Analyse government functions in allocation, distribution, and stabilization of resources.
- Interpret public choice theories and evaluate political decision-making models.
- Discuss theories of public expenditure and principles of public debt management.
- Assess fiscal policies and budgetary approaches for economic stability and growth.

Reference:

1. Anderson John E, (2003) Public Principles and Policy, Houghton Mifflin Company, Boston, USA
2. UlibrichHolley, (2003) Public Finance-in Theory and Practice, Thomson South-Western. Ohio, united Statesof America.
3. Hyman David N, (2005) Public Finance-a Contemporary Application of Policy, Thomson South-Western, Ohio, USA
4. Musgrave R.A. and P.A. Musgrave (1976) Public finance-in Theory And Practice, McGraw-HiliKogakusha, Tokyo
5. BuchananJ.M, (1970) the Public Finance, Richard D. Irwin, Homewood.
6. Stiglitz J.E.(1986) Economics of Public Sector, Norton, New York.
7. Tyagi B.P.(2002) Public Finance, Jayaprakashnathand Company, Meerut, India.

HCT 3.2: INTERNATIONAL ECONOMICS- I

Preamble:The paper presents clear exposition of the theory and principles of international economics that are essential for understanding, evaluating to the important international economic problems.

Module- I: Introduction to International Economics

Importance of International Trade-International Trade and Nations Standard of Living,- Current International Economic Problems-Analytical tools of International Economics- Production Possibility Curve, Marginal Rate of Transformation, Community Indifference Curve and Offer Curves.

Module- II: International Trade Theories

International Trade Theories-Trade Based on Absolute Advantage and Comparative Advantage, Classical Theories - Opportunity Cost Theory – Factor Endowments– Heckscher – Ohlin Theory - Factor Price Equalization and Income Distribution – Leontief Paradox – Neo-Technological Trade Theory -Samuelson Theory- Stolper-Samuelson Theorem. Recent Developments in International Trade Theories.

Module- III: Economic Growth and International Trade

Economic Growth and International Trade, Trade as an Engine of Growth; Immiserising Growth; the Rybczynski Theorem; Gains from Trade- Sources and Measurement, Terms of Trade, Types, Uses and Limitations; Tariffs- Types, Economic Effects of Tariffs and their Measurement, Rates of Tariffs, Optimum Tariff Formula – Prebisch-Singer Hypothesis.

Module- IV: Economic Integration

Economic integration; types; Theory of Customs Union- Jacob Viner Theory, Other Static Welfare Effects of Customs Union – Dynamic Benefits from Customs Union, European Union, History, The European Economic community, Free Trade Association Trade Creation and Trade Diversion, International Cartels, Dumping, Export Subsidies.

Module- V: Indian perspective of international trade

Trend of international trade of India, direction and composition of India's international trade, trade deficit scenario of India, new economic policy and Indian trade, recent trade policies, problem of Indian trade, suitable solutions, state of India's export in the international market.

Course Outcomes:

- Demonstrate knowledge about international trade theories.
- Evaluate factor price equalization due to international trade.
- Analyze factors contributing intraindustry trade.
- Assess the gains from international trade.
- Evaluate the trade policy for protection and tariff

References

1. Kindleberger C.P. (1998), *International Economics*, R.D Irwin Homewood.
2. King P.G (1995), *International Economics and International Economic Policy*, A Reader McGraw Hill, Singapore,
3. Krugman P.R and Obstfeld (2017), *International Economics- Theory and Policy*, Addison Wesley Longman Pvt. Ltd., Delhi
4. Mannur, H.G, (2011), *International Economics*, Vikas Publishing House, New Delhi.
5. Salvatore D (2016), *International Economics*, Prentice Hall Upper Saddle River N.J. New York
6. Soderstrom B.O. (1991), *International Economics*, The Macmillan Press Ltd. London
7. Krugman. P.R, and Obstfeld (2006): *International Economics*, Addison Wesley, USA.
8. Carbaugh R.J (2014), *International Economics*, 12th Edition, South-Western, USA.
9. Barbara Ingham (2015), *International Economics*, Prentice Hall, England. Dominic Salvatore, (2016), *International Economics*, Wiley

HCT 3.3: RESEARCH METHODS & COMPUTER APPLICATIONS

Preamble: This course on Research Methodology and Computer Applications provides an in-depth understanding of the research process, from formulating research problems to data analysis. It covers research design, data collection, and statistical techniques for data analysis. Additionally, the course introduces students to computer applications, enhancing their ability to use software tools for efficient data analysis and report writing.

Module-I: Introduction to Research Methodology

Meaning, Objectives, and Types of Research - Research Process: Steps in Research - Formulation of Research Problem and Hypothesis- Review of Literature: meaning and purpose, and Techniques.

Module-II: Research Design and Data Collection

Research Design: Exploratory, Descriptive, and Experimental Designs - Sampling Techniques: Probability and Non-Probability Sampling - Data Collection: Primary and Secondary Data - Tools for Data Collection: Questionnaires, Interviews, and Observations.

Module- III: Data Analysis and Interpretation

Data Processing: Coding, Editing, and Tabulation - Statistical Techniques for Data Analysis: Descriptive and Inferential Statistics - Hypothesis Testing: Parametric and Non-Parametric Tests - t test, F test and Chi-square test- Report Writing: Structure, Presentation, and Referencing

Module- IV 4: Introduction to Computer Applications in Research

Basics of Computers: Hardware, Software, and Operating Systems - Introduction to MS Office: Word, Excel, and PowerPoint - Internet as a Source of Information: Search Engines, Online Databases.

Module- V: Data Analysis Using Software

Introduction to Statistical Software: SPSS, R, Eviews and Excel for Data Analysis - Data Input, Data Cleaning, and Basic Statistical Analysis using Software - Graphical Representation of Data: Charts and Graphs - Interpretation of Software Output.

Course Outcomes:

- After the completion of the course, Students shall be in a position to
- Understand the fundamentals, types, and objectives of research methodology.
- Develop skills to design research and employ appropriate sampling and data collection techniques.
- Analyse data using statistical techniques and interpret results effectively.
- Utilize basic computer applications for research, including MS Office and the internet.
- Apply software tools like SPSS, R, EViews and Excel for data analysis and graphical representation.

References:

1. Kothari, C.R. & Garg, G. (2019). *Research Methodology: Methods and Techniques*. NewAge International Publishers.
2. Gupta, S.C. & Kapoor, V.K. (2020). *Fundamentals of Applied Statistics*. Sultan Chand & Sons.
3. Cooper, D.R. & Schindler, P.S. (2014). *Business Research Methods*. McGraw-Hill
4. Education.
5. Levin, R.I. & Rubin, D.S. (2017). *Statistics for Management*. Pearson Education.
6. Wegner, T. (2016). *Applied Business Statistics: Methods and Excel-Based Applications*. JutaAcademic.
7. Pallant, J. (2020). *SPSS Survival Manual*. McGraw-Hill Education.
8. Rajaram, V. (2010). *Fundamentals of Computers*. Prentice Hall India.
9. Gupta, S.C. (2019). *Fundamentals of Statistics: Applications with MS Excel*. Himalaya
10. Publishing House.
11. Rogers, R. (2013). *Introduction to Data Analysis and Graphical Presentation in Biostatistics with R*. Wiley.
12. Shelly, G.B., Vermaat, M.E., & Sebok, S.L. (2011). *Microsoft Office 2010: Introductory*. Cengage Learning.

HCT 3.4: BASIC ECONOMETRICS

Preamble: This course on Basic Econometrics introduces students to the fundamental concepts and techniques of econometric analysis. It covers the methodology of econometrics, linear and multiple regression models, and the practical problems encountered in regression analysis. The course also explores advanced topics such as dummy variable models and dynamic regression models, enabling students to apply econometric tools effectively in economic research.

Module-I: The Nature and Scope of Econometrics

Meaning of Econometrics- Relationship between Economics and Statistics, Economics and Statistics, Econometrics and Mathematical Economics, and Econometrics and Economics, and Econometrics and Economic Statistics – The Methodology of Econometrics - Types of Econometrics.

Module-II: The Linear Regression

Basic Ideas of Linear Regression Model - Two Variable Model - Population Regression Function (PRF), Sample Regression Function (SRF) - Classical Linear Regression Model - Method of Ordinary Least Square (OLS) - Properties of OLS Method - Gauss Markov Theorem- Hypothesis Testing- Test of Goodness of Fit - Normality Test and Standard Error Test.

Module-III: Multiple Regression Analysis

Estimation and Hypothesis Testing- Assumptions of Multiple Linear Regression Model- Three Variable Linear Regression Model, Partial Regression Coefficient - Estimation of Parameters of Multiple Regression - Determination of R^2 and Standard Error - Comparing two or more R^2 Values and Adjusted R^2 .

Module-IV: Practical Problems of Regression

Multicollinearity: Nature - Causes - Consequences - Detection - Remedial Measures. Heteroscedasticity: Nature - Causes - Consequences - Detection - Remedial Measures. Auto-Correlation: Nature - Causes - Consequences - Detection - Remedial Measures.

Module-V: Dummy Variable and Dynamic Regression Models

Dummy Variable Model: Meaning - Nature - Dummy Variable Trap - Dummy Variable Model with Single Qualitative Variable - Two Qualitative Variables - Dummy Variable Model with Mixture of Qualitative and Quantitative Variables. Autoregressive and Dynamic Models: Role of Lag in Economics - Estimation Methods

Course Outcomes:

After the completion of the course, Students shall be in a position to

- Understand the scope, methodology, and types of econometrics in economic analysis.
- Apply linear and multiple regression models to estimate and interpret economic relationships.
- Identify and address practical issues like multicollinearity, heteroscedasticity, and autocorrelation in regression analysis.
- Utilize dummy variables for modelling qualitative data in econometric models.

- Analyse dynamic regression models, understanding the role of lags and estimation methods.

References:

1. Brooks Chris, (2008) *Introductory Econometrics for Finance*, Cambridge University Press,
2. Cambridge.
3. Damodar Gujarati, (2017) *Basic Econometrics*, McGraw Hill, International Student Edition.
4. Damodar Gujarati, (2011) *Econometrics by Example*, Palgrave Macmillan, United Kingdom.
5. Koutsoyianms A., (2001) *Theory of Econometrics*, Palgrave Macmillan, United Kingdom.
6. Patterson Kerry, (2000) *An Introduction to Applied Econometrics a Time Series Approach*,
7. Macmillan Press.
8. Sukesh K Ghosh (1991) *Econometrics- Theory and Applications*, Prentice Hall Private Ltd.,New Delhi.

SCT 3. 1 (A) INDUSTRIAL ECONOMICS

Preamble: The aims of this paper are to understand the various problems confronting the entrepreneurs in the process of industrialization, to study the significance of industrialization for a developing country in the highly challenging and dynamic competitive economic systems and to examine the impact of rationalization in the process of development and expansion of major and small-scale industries.

Module-I: Framework and Problems of Industrial Economics

Concepts and Organization of Firm; Ownership, Control and Objectives of the Firm; Passive and Active Behaviour of the Firm; Market Structure; Product Differentiation; Entry Conditions; Economies of Scale; Market Structure and Profitability; Theories of Industrial Location; Weber and Sargent Florence; Factors Affecting Location.

Module-II: Market Conduct and Performance

Product Pricing; Marginal Costing; Administered Pricing; Theories and Evidence; Investment; Expenditure; Theories and Empirical Evidence on Mergers and Acquisitions; Diversification, Size and Growth of a Firm; Growth and Profitability of a Firm; Constraints on Growth, Productivity, Efficiency and Capacity Utilization; Concept and Measurement.

Module-III: Indian Industrial Growth and Pattern

Classification of Industries; Industrial Policy in India; Role of Public and Private Sector; Recent Trends; Multinational Corporations and Transfer of Technology. Liberalisation and Privatization, Regional Industrial Growth in India; Industrial Concentration and Remedial Measures; Issues in Industrial Pollution and Environmental Preservation, Pollution Control Policies; Industrial Sickness.

Module-IV: Industrial Finance

Role, Nature, Value and Types of Institutional Finance; IDBI, IFCI, ICICI, SFCs, SIDBI, and Commercial Banks. Profit and Loss Account; Assessment of Financial Soundness and Ratio Analysis.

Module-V: Current Problems of Selected Industries

Iron and Steel, Cotton Textiles, Jute Textiles, Sugar, Coal, Cement and Engineering Goods Industries; Development of Small Scale and Cottage Industries in India.

Course Outcomes:

After the completion of the course, students shall be in a position to:

- Explain the organization, objectives, and behaviours of firms in various market structures.
- Analyse market conduct, pricing, mergers, and growth constraints of firms.
- Assess industrial policies, sectoral trends, and environmental issues in Indian industries.
- Understand sources and types of industrial finance in India.
- Examine key challenges facing selected Indian industries and small-scale sectors.

References:

1. Ahluwalia, I. J. (1985): *Industrial Growth in India*, Oxford University Press, New Delhi.
2. Barthwal, R. R. (1985): *Industrial Economics*, Wiley Eastern Ltd., New Delhi.
3. Cherunilam, F. (1994): *Industrial Economics: Indian Perspective*, (3rd Edition), Himalaya Publishing House, Mumbai.
4. Dasai, B. (1999): *Industrial Economy in India*, (3rd Edition), Himalaya Publishing House, Mumbai.
5. Divine, P.J. and R. M. Jones et.al. (1976): *An Introduction to Industrial Economics*, George Allen and Unwin Ltd., London.
6. Government of India (2017): *Economic Survey of India (Annual)*, Ministry of Finance, Government of India, New Delhi.
7. Hay, D. and D.J. Morris (1979): *Industrial Economics: Theory and Evidence*, Oxford University Press, New Delhi.
8. Kuchhal, S.C. (1980): *Industrial Economy of India*, (5th Edition), Chaitanya Publishing House, Allahabad.
9. Reserve Bank of India: *Report on Currency and Finance (Annual)*, Reserve Bank of India.
10. Singh, A. and A.N. Sadhu (1988): *Industrial Economics*, Himalaya Publishing House, Bombay.
11. Refer Latest Reports and Publications on the Industrial Economics.

SCT-3.2(B) ECONOMICS FOR EDUCATION

Preamble: This course examines the intersection of economics and education, exploring how education functions as both a consumption and investment good. Students will study key concepts such as human capital, costs, and returns on educational investment, as well as employment outcomes and income disparities. Additionally, they will analyse the education sector in India, focusing on literacy, participation, and quality.

Module- I: Economics for Education as a Discipline

Economics for Education Defined, Some Basic Concepts in the Economics of Education.

Module- II: Education - Jobs and Income

Education and Jobs, the Screening Hypothesis and Employability, The Invisible Handshake and Employability, The Incomplete Contract Theory and Employability. Education and Income Factors Affecting Income Differentials.

Module- III: Education Investment in Human Capital

Investment Theory in Education, Returns to Investment in Education as an Economic Good, Education as Both a Consumption and an Investment, Cardinal and Ordinal Utilities of Investment in Education. Concept of Human Capital, the Human Capital Theory, Human Capital Formation/Development, Investments in Human Capital, Impact of Human Capital on Economic Growth Manpower Planning Strategies Manpower Auditing.

Module- IV: Costs of Education

Educational Cost, Types of Cost in Education, Cost Analysis in Education Uses of Cost Analysis, Cost Escalation in Education Industry, Remedies for Cost Escalation in the Education Industry, The Benefiter Pays Principle The Principle of Fiscal Sustainability
Cost Efficiency and Cost Effectiveness in Education.

Module- V: Education Sector in India

An Overview Literacy rates, school participation, school quality measures, recent trends and growth of Education in India and Quality education system in India.

Course Outcome:

- To develop an understanding of planning, financing and cost of education.
- To develop and understanding of the link between the educational system and economic development.
- To develop an understanding of educational problems in the context of Indian economy

References

1. Abagi, Okwachi. Public and Private Investment in Education in Kenya: An Agenda for Action. IPAR Publication, 2002.
2. Adedeji, S.O. "Cost and Financing of Education in Nigeria: The Historical Perspective." *Education Today*, 10, no. 1 (2002): 17-26.
3. Aigbokhan, B., O. J. Imahe, and M. I. Ailemen. "Education Expenditure and Human Capital Development in Nigeria: Any Correlation So Far?" <http://www.regional-studies-assoc.ac.uk> (accessed 2007).
4. Akinyemi, S. "The Analysis of Unit Cost of Public Primary Education in Lagos State (1998-2003)." Unpublished Ph.D. thesis, Lagos State University, 2005.
5. Akinyemi, S. T. Some Socio-Economic Issues in Nigeria 1. Lagos: Center for Educational Aid, 1999.
6. Appleton, S. and F. Teal. "Human Capital and economic development. The African Development Report"[http:// www.accenture.com/global/researchandinsights](http://www.accenture.com/global/researchandinsights). 1998 (accessed December 18, 2007).
7. Babalola, J. B. Educational Costs and Financing Analysis.External Studies Program, University of Ibadan, 1992.

OET 3.1 (A) KARNATAKA ECONOMY

Preamble: This course provides a comprehensive understanding of Karnataka's economy, highlighting its developmental indicators, agricultural and industrial progress, infrastructure, and state finance. It covers significant socio-economic issues such as poverty, unemployment, and regional imbalances, examining policies and reforms that address these challenges. Through this study, students gain insight into Karnataka's economic structure and growth dynamics.

Module -I: An Overview of Karnataka Economy:

Features - Karnataka Economy - Key Indicators of Economic Development-Growth of State Income and Per Capita Income SDP & PCI- Indicators of Human Development - HDI. Natural Resources: Minerals - Water - Forest - Land - Power Resources etc. Population Dynamics: Growth - Composition - Density - Problems - Rural Urban Migration – Unemployment

Module-II: Agriculture and Industrial Development in Karnataka:

Present level of Agricultural Development: composition and trends- Allied Activities: Horticulture, livestock and dairy, sericulture and fisheries -Trends in development of major, medium and small industries - Growth of IT, ICT & BT Sectors - Their Contribution. Rural Industrialization. Financial Institutions - Co-operatives–RRBs, KSFC and KSIIDC.

Module-III: Infrastructure, State Finance and Regional Imbalances

Social infrastructure: Social infrastructure: education and health facilities in Karnataka; Economic infrastructure: Irrigation, power, and transport, communication-marketing and warehousing; Financial infrastructure: commercial Banking, regional rural banks and cooperative banks - Rural Credit and Rural Transformation. Sources & growth of revenue- GST-sharing of Central Taxes and Grants in-aid; Causes of growth of public expenditure – Karnataka debt- Karnataka Budget- Role of state finance commission. Regional Disparity: Causes and consequences; measures to reduce regional imbalances; Recommendations of High-Power Committee on Redressal of Regional Imbalances (HPCRRI).

Course Outcomes:

After the completion of the course, students shall be in a position to:

- Describe Karnataka's economic features and indicators of development.
- Analyze trends in agriculture, industry, and rural development in Karnataka.
- Assess Karnataka's infrastructure in irrigation, education, health, and finance.
- Explain sources of revenue, tax reforms, and financial relations in Karnataka.
- Discuss regional disparities and policy recommendations to address them.

References:

1. Government of Karnataka, Annual Reports, Bangalore.
2. Government of Karnataka, Economic Survey, Latest and Old Issues- Government of Karnataka,
3. Government of Karnataka, Five Year Plan Drafts, Bangalore.
4. Government of Karnataka, Inter State Economic Indicators, Bangalore.
5. Government of Karnataka, Report on the Redressal of Backward Regions in Karnataka.
6. Government of Karnataka, Human Development in Karnataka 1999,2015
7. Government of Karnataka, Karnataka at a Glance, Old and Latest Issues.
8. Madaiah M and Ramapriya (1988) Karnataka Economy, Himalaya Publishing House, Girgaon,Mumbai
9. Meti J K (1976) Economy of Karnataka and Planning, Oxford and IBM, New Delhi.
10. Gowda MVS, and D.T. Nanje Gowda (Eds) Economic Development of Karnataka- Leading Issues,
11. Nanjundappa D M (1971) Some Aspects of Karnataka Economy, Dharwad.
12. Planning Commission, GOI (2007) Karnataka Development Report, Academic Foundation, Bhart Ram Road, Darya Ganj, New Delhi

OET 3.2 (B) HEALTH ECONOMICS

Preamble: This course explores the economics of health, focusing on concepts of health, demand, and supply in healthcare, and the relationship between nutrition and health. It addresses the socioeconomic factors influencing health outcomes and examines health policies, programs, and institutional roles in promoting health. Students gain insight into health economics for effective health promotion and policy analysis.

Module-I: Concepts of Health Economics

Health- Definitions of Health – Concept of Well-Being- Determinants of Health - Prerequisites for Health – Socio-Economic Factors – Health promotion and Health maintenance.

Module- II: Demand and Supply of Health Care

Concept of Demand – Meaning – Demand for Health – Demand in Healthcare – Improvements in Medical Technology – Determination of Demand for Medical care; Supply – Law of Supply – Fundamental theory of Supply and Demand – Supply Schedule – Demand Schedule.

Module- III: Nutrition and Health –Nutritional status in India

Determinants of Nutritional status – Economic Dimensions of Health care – Demand and Supply – Finance – Constraints; Role of Institutions: Public and Private Healthcare – PPP model: Evaluation of Policy and reforms, National Health Policies & Programmes–Health Promotion.

Course Outcome:

- Able to provide a basic overview of the health care industry with emphasis on the economics involve in socio-economic factors
- To identify various factors that influences the demand and supply for health and health care.
- Able to understand and evaluate the economics of health care decision making and analyze the market for health insurance, comparing and contrasting the role of private and public sector thereof.

References:

1. K.Park: Preventive and Social Medicine ,Bhanot Publication.
2. HPS,Rana: Health Economics,AlfaPublications,NewDelhi
3. NK.Anand,ShikhaGoel:HealthEconomics,AITBS, Publishers
4. PaulJ.Feldstein: Economics of Health Care,CengagePublishers
5. AsisKumar:HealthEconomics,TheIcfai University Press
6. AshokanA:Perspectives of Health Economics, SerialsPublisher
7. T.Tripathi: Access to Health Services, GyanPublishers,New Delhi.