



**Syllabus of
Economics (BDP)
B.A. (Hons.)
Course Code : EEC**

NETAJI SUBHAS OPEN UNIVERSITY

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Course Structure for The Bachelor's Degree Programme (BDP) in Economics

1. Compulsory Subjects : Foundation Course	
(a) Bengali (FBG)	4 Credits
(b) English (FEG)	4 Credits
(c) Humanities and Social Science (FHS)	8 Credits
(d) Science and Technology (FST)	8 Credits
	24 Credits
2. Elective Subjects : Honours Course (EEC)	
Paper I : Micro-Economics	8 Credits
Paper II : Macro-Economics	8 Credits
Paper III : Statistical Technique	8 Credits
Paper IV : Indian Economy	8 Credits
Paper V : International Trade & Development Economics	8 Credits
Paper VI : Comprehensive Economic Development (Britain/Japan/China) & Basics of Environmental Economics	8 Credits
Paper VII : Developmental Economics (Advanced) & Mathematical Technique in Economics	8 Credits
Paper VIII : Computer Applications in Economics & Research Methodology	8 Credits
	64 Credits
3. Compulsory Subject : Application Oriented Course (Any one)	
(a) Basic Accountancy (AOC-01)	
(b) Food Processing (AOC-02)	8 Credits
(c) Household Chemistry (AOC-03)	
4. Environmental Studies	4 Credits
Total Credits for the Course = (24+64+8+4) = 100 Credits or 1250 marks	

Evaluation System :

Internal assessment : 30%

Term-end Examination : 70%

Paper I : Micro-Economics

Module-1 :

Demand : Indifference—Preference Approach up to Consumer's Equilibrium—
Revealed Preference Approach—Elasticity of demand and its applications—Demand
Analysis.

Module-2 :

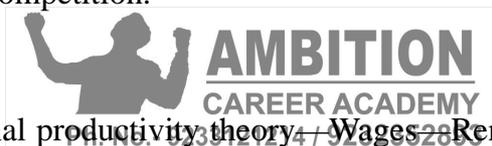
Production and Costs : Concepts of productivity—Different types of costs and
production Optimization problem—Expansion path—Particular types of production
functions.

Module-3 :

Market Forms : Market Equilibrium—Perfect Competition—Monopoly—different
types—Monopolistic Competition.

Module-4 :

Distribution : Marginal productivity theory—Wages—Rent—Interest.



Paper II : Macro-Economics

Module-1 :

Basic Concepts and Simple Framework : Rational Income Accounting—Simple
(one sector) Classical Model—Simple (one sector) Keynesian Model (Where
investment is autonomous)—Comparison of the properties of Simple Classical and
Keynesian Models.

Module-2 :

The complete Keynesian and Classical Models : The Complete Classical Model
(including a discussion of the role of the Quantity Theory of Money in this model)—
The IS-LM version of the Keynesian Model—Comparison of the complete Classical
and Keynesian Models, highlighting the differences in the policy conclusions.

Module-3 :

Theories of Consumption and Investment : The Consumption Function—The absolute and relative income hypothesis—The permanent income hypothesis—Short-run and long-run consumption functions ; Theories of Investment with special reference to the acceleration principle and the distributed lag models—Empirical estimates of consumption and investment function (with reference to Indian estimates).

Module-4 :

Extensions of the Basic Framework—Growth, Cycles and Inflation : Inflation and Anti—Inflationary Policies—Business Cycles-Economic Growth (Marrod-Domar Theory only).

Paper III : Statistical Techniques

Module-1 :

Descriptive Statistics : Basic Statistical Concepts—Attribute vs. Variable ; Data and its collection and presentation—Graph, Bar chart, Pie-diagram and presentation in logarithmic scale-Frequency, Frequency Distribution, Histogram & Ogive, Quartiles ; Measures of central tendency—Mean, Median, Mode—Geometric & Harmonic Mean—Unimodal & Multimodal distribution ; Measures of dispersion—Range, Mean absolute deviation, Standard deviation-Quartile & Decile deviation ; Concept of Time Series data-Concept of time series movements—Trend & Seasonal Variations—(Fitting Trend time, construction of seasonal indices) ; Construction of Index Numbers—Laspeyre's and Paasche index—some examples from India—Tests.

Module-2 :

Correlation and Regression : Concept of correlation in bivariate data—Simple Correlation—Rank Correlation—Intuitive understanding and examples ; Simple linear regression—Curve Fitting—Goodness of Fit—Properties of regression coefficients ; Multiple and Partial Correlation ; Multiple Regression.

Module-3 :

Probability and Distribution : Concept of uncertainty—random event—random variable—definition of probability—frequency and frequency distribution ; Discrete vs. continuous distributions—Theorem of probability (addition, multiplication)—Baye’s Theorem—Binomial & Poisson probability distributions ; Continuous distribution—definition, properties & diagrams for Normal Distribution & Log-Normal Distributions ; Expectation—Moments—Moment generating functions.

Module-4 :

Sampling Techniques and Testing of Hypothesis : Introduction to Sampling—Sampling techniques—Types of sampling ; Sampling Distributions—Sample mean and sample properties ; Point and Interval Estimation ; Testing of Hypothesis—two kinds of errors-power of test—Standard, Normal, Chi-Square, t-tests & F-tests.

Paper IV : Indian Economy

Module-1 :

Structure of the Indian Economy : National Income and : Indian Economic Structure—Structural Changes during the plan period-Changes in saving and capital formation ; Agrarian Structure : Size structure and productivity-Size structure and marketed surplus-Relative price and marketed surplus-Intersectoral terms of trade-Tenurial structure and tenancy ; Industrial Structure : Changes in industrial structure during the plan period ; Organisational structure – public sector and private sector, Size structure : Small scale and large scale industries—Consumer and capital goods industries : intermediate industries and infrastructure, industrial acceleration ; Structure of Foreign Trade Sector : Changing structure of exports and imports during the plan period-Balance of payment—Foreign capital and external trade.

Module-2 :

Basic Planning Issues : Need for planning-Strategy of Indian plans upto the 6th plan-Changes in Strategy from the 7th plan onwards-Resource mobilization for plans—Trade off between plan objectives-Decentralized Planning ; Plan Models : Second Plan, Fourth Plan, Fifth Plan and the Eighth, Plan model ; Poverty and

unemployment : Incidence of poverty in India-Measurement of poverty in India ; Measurement of unemployment-Disguised unemployment-Policies to tackle unemployment-Poverty alleviation programme ; Human Resource Development : Population and development in the context of the Indian economy-Population control policies (Education, health and economic development in the Indian context).

Module-3 :

Agrarian policies-Institutional vs. technological changes, Land Reforms, Green Revolution and Relation between Land Reforms and Green Revolution, Decentralised Development-Panchayati Raj, Agricultural finance ; Licensing policy and its changes-Monopoly and concentration, Industrial finance, Problem of industrial sickness ; Fiscal Policy for Development : Deficit financing, Tax policies, Centre-State financial relations, Financial Policies : Monetary policy-monetary policy during the plan period, Credit control measures, Interest rate policies, Monetary policies for economic development ; Banking policy-Nationalisation of commercial banks, Reserve Bank's relationship with commercial banks, non-bank financial intermediaries, Banking Sector Reform.



Module-4 :

Problems of Indian Economics : Stability-Tax structure-Public Debt-Foreign transaction Foreign Investment ; Sectoral Change ; Terms of Trade-Exim Policy-Reform of banks Sector and non-banking Sector ; Privatisation.

Paper V : International Trade & Development Economics

Module-1 :

Pure Theory of International Trade : International Trade Theory - Scope of the subject (issues to be dealt with) ; Classical Theory of International Trade : Absolute advantage-Theory of Comparative advantage-Extension of the theory to deal with nonconstant costs, more than two countries and two commodities ; H-O-S Trade Theory-Factor price Equilibrium Theorem-difference between Ricardian & HOS Theory ; Theory of Commercial Policy-Tariffs, effect of tariffs, Stolper-Samuelson Theorem, Metzler paradox, quotas, Equivalence of tariffs & quotas, Gains from

Trade, Distortions and gains-small country & large country gains from International Trade etc.

Module-2 :

Monetary Theory and International Trade : Balance of Payments–Definition, why BOP always balance-Autonomous and accommodating adjustments in the BOP– Concept of BOP Equilibrium ; Theory of foreign exchange–Determination of the foreign exchange-Rate-Effects of currency depreciation ; Policies to achieve BOP equilibrium–Fixed vs. Fluctuation Exchange rates-Elasticity and absorption approaches–other policies ; International Financial and Development Institutions– The IMF, the World Bank–Demise of the Bretton Woods System–The present policy of achieving BOP equilibrium.

Module-3 :

Scope of the subject–Public Goods & Private Goods–Efficient allocation for pure public goods–externalities ; Principles of Taxation & Expenditure–Benefit Theory and ability to pay approach.; Direct Taxes ; Bases of taxation–Income, Expenditure– Capital Gains–Effect of Income Tax on work-effort and saving and investment ; Indirect Taxes : Sales & Excise taxes–Excess burden of indirect taxes–Shifting & incidence of indirect taxes.

Module-4 :

Fiscal Policy : Objectives–Contra cyclical Fiscal Policy–Fiscal policy for economic development ; Public Debt : Burden of Debt–Internal & External Public Debt ; Principles of federal finance.

Paper VI : Comprehensive Economic Development (Britain/Japan/ China) & Basics of Environmental Economics

Module-1 :

British Industrial Revolution and the Rise of Classical Political Economy : Nature of Industrial Revolution ; Capital Accumulation ; Economic liberalism in the 18th and 19th Century.

Module-2 :

Economic Development of Japan and China : Meiji Restoration–Role of State and its subsequent withdrawal, Zaibatsu ; Role of State from 1949–with special emphasis in communes.; Current reforms.

Module-3 :

General ideas, Environmental Pollution and Various solutions : Economy – environment interlinkage.; Environment as the source of natural resources–classification of natural resources–economics of exhaustible natural resources–economics of renewable/regenerative natural resources–common property of resources–resource scarcity and its indications. ; Environment as a waste-sink–environmental pollution–pollution and externality–Co Asian solution of externality problem and environmental pollution–Standard based instruments of pollution control–Pigovian tax-subsidy scheme–market-based instruments.

Module-4 :

Valuation, Development and International Issues : Valuation of environment–valuation of non-market environmental goods and services–stated preference and revealed preference approaches.; Environment and development–interlinkages and ‘trade-offs’–notion of sustainable development. ; International/global issues of environmental economics–international protocols.

Paper VII : Developmental Economics (Advanced) & Mathematical Technique in Economics

Module-1 :

Growth and Development–Typology of development according to per capita income and human resources development ; Dualism-Nature of economic dualism ; Levis model, Harris-Todaro migration model. ; Critical choices of development – Choice of techniques, Investment criteria–‘Capital–Output’ ratio, SMP, Galenson–Leibenstein ; Stages of growth–General ideas about stages of growth, Restow & Marx.

Module-2 :

Strategy of Economic Development – Balanced Growth–Different versions and unbalanced growth. ; Population and Economic Development–Theory of Demographic transition–Low level equilibrium trap–Critical minimum effort ; Employment–Nature of unemployment in less developed countries–Disguised unemployment–General discussion and Sen’s model. ; International Trade and Development–General discussion of trade and development–‘thee gap’ model, Foreign Aid.

Module-3 :

Applications of Differential and Integral Calculas : Application of derivatives—differentials and intergration.; Classification optimization techniques–unconstrained and constrained optimization ; Dynamics–Application of difference and differential equations.

Module-4 :

Applications of Linear Algebra, Programming and Input-Output : Concepts of linear algebra applicable to economic theorizing–Cramer’s Rule ; Linear programming–Statement of transportation, diet problems etc.–Simplex algorithm ; Input-output – Open and Closed models–Solution techniques–Hawkins–Simon Condition.

**Paper VIII : Computer Applications in Economics &
Research Methodology**

Module-1 :

Computer Applications : Preliminaries-Introduction to computer hardware–Operating system overview–Concept of programming languages–Introduction to Word processing-MS Word.

Module-2 :

Database concept and Application Software–Concept of database–Relational database–Introduction to Access–Introduction to Excel–entering data in a worksheet–calculations functions, making charts and graphs.

Module-3 :

Collection of data : Need of data in economics studies–Sources and description of secondary data–ASI, CMIE, Statistical Abstract.

Module-4 :

Techniques : Benefit-cost analysis–Forecasting techniques–Operations research overview.

System of examination :

1st Semester–FBG, FEG, EEC–I

2nd Semester–FHS, EEC–II

3rd Semester–FST, EEC - III

4th Semester–EEC-IV, V

5th Semester – EEC – VI, VII

6th Semester–EEC - VIII AOC & Env. Studies

