

**REVISED SYLLABUS OF ECONOMICS UNDER CBCS FRAMEWORK WITH
EFFECT FROM 2020-21**

PROGRAMME: THREE-YEAR ECONOMICS

Submitted to

YOGI VEMANA UNIVERSITY

KADAPA

(With Learning Outcomes, Unit-wise Syllabus, References, Co-curricular Activities &

Model Q.P.)

For Fifteen Courses of 1, 2, 3 & 4 Semesters)

(To be Implemented from 2020-21 Academic Year)

A.P. STATE COUNCIL OF HIGHER EDUCATION
REVISED UG CBCS SYLLABUS w.e.f. 2020-21

ECONOMICS (UG) SYLLABUS
For Semesters I to IV

Revised Course Structure

Sem	Course	Title of the Course	Hrs/wk	Credits	Marks
I	1	Microeconomic Analysis	5	4	100
II	2	Macroeconomic Analysis	5	4	100
III	3	Development Economics	5	4	100
IV	4	Economic Development in India and Andhra Pradesh	5	4	100
IV	5	Statistical Methods for Economics	5	4	100

SEMESTER – I :: COURSE - I
MICRO ECONOMIC ANALYSIS

Module–1: Economic Analysis and Methodology

Scarcity and Choice as fundamental problems of economics - Production Possibilities Curve - Micro and Macro Analysis - Micro economic analysis – Scope and Importance – inductive and deductive methods- Principles of Microeconomics : Allocation of Resources - Optimization, Equilibrium and Marginal analysis -Rationality Principle the concept of Welfare.

Module -2: Theory of Consumption

Concept of Demand -Factors determining demand - Law of Demand - reasons and exceptions - Elasticity of Demand -Cardinal and Ordinal utility - Indifference Curve analysis : Properties of Indifference curves, Indifference Curve Map -Marginal Rate of Substitution - Budget Line - Changes -Consumer Equilibrium under Indifference Curve Analysis – Consumers' Surplus.

Module -3: Theory of Production

Concept and Objectives of Firm - Production Function: Cobb- Douglas Production Function -Law of Variable Proportions -Laws of Returns to Scale - Economies of large scale - Concepts of Cost - Total, Average and Marginal Costs - Law of Supply - Concept of Revenue : Total, Average and Marginal Revenues - Relation between Average and Marginal Revenues and elasticity of Supply

Module-4: Theory of Exchange

Concepts of Market: Criteria for Classification of Markets - Perfect Competition– Conditions, Price and Output determination ; Monopoly : Conditions, Price and Output Determination - Price Discrimination; Monopolistic Competition - Assumptions - Price and output determination - Selling Costs ; Oligopoly -Types- Kinky demand curve and Price rigidity.

Module - 5: Theory of Distribution

The concepts of Functional and Personal Distribution of Income - Marginal Productivity Theory of Distribution - Modern Theory of Distribution -Concept of Rent - Ricardian Theory of Rent – Marshall’s concepts of Economic Rent and Quasi Rent; Theories of Wage Determination: Subsistence Theory and Standard of Living Theory - Modern Theory of Wages; Classical Theory of Interest -Loanable Funds Theory of Interest -Liquidity Preference Theory of Interest; Theories of Profit: Risk and Uncertainty, Dynamic and Innovations Theories.

Reference Books:

1. A. Koutsoyiannis, *Modern Microeconomics* – Macmillan, London.
2. A. W. Stonier and D.C. Hague, *A Text book of Economic Theory* - ELBS & Longman Group, London.
3. H. L. Ahuja, *Advanced Economic Theory*, S. Chand, 2004.
4. P. N. Chopra, *Principles of Economics*, Kalyani Publishers, Ludhiana, 2018.
5. H.S. Agarwal: *Principles of Economics*.
6. P.A Samuelson & W.D. Nordhaus - *Macroeconomics*, Tata McGraw Hill, 18/e, 2005
7. M. L. Seth, *Microeconomics*, Lakshmi Narayan Agarwal, 2006.
8. D.M. Mithani & G.K. Murthy, *Fundamentals of Business Economics*, Himalaya Publishing, 2007.
9. *Telugu Academi Publications on Microeconomics*.
10. *Microeconomics*, Spectrum Publishing House, Hyderabad, 2017.

Recommended Co-curricular Activities:

1. Assignments and Student Seminars on themes of critical appreciation of microeconomic theory and relevant issues of current importance in Indian and AP economies
2. Quiz testing the understanding and application of various microeconomic concepts and theories
3. Group Study projects on the trends in the demand, supply and prices of goods and services in the local markets
4. Survey and analysis of data published in the Economic Survey of GOI and the Socio-economic survey of the State Government relevant to microeconomic aspects.
(Assignments preferably for all students in each semester. In respect of others, as far as possible, all students shall participate in each of the co-curricular activity by the end of fourth semester, @ roughly a fourth of total students in each semester)

SEMESTER – 2:: COURSE –2

MACROECONOMIC ANALYSIS

Module - 1: National Income

Macroeconomics - Definition, Scope and Importance - Difference between Micro economic and Macro economic Analyses – Circular Flow of Income -National Income: Definitions, Concepts, Measurement of National Income - Difficulties - Importance - Concept of Green Accounting

Module -2: Theory of Employment

Classical Theory of Employment - Say's Law of Markets - Criticism -Keynesian Theory of Employment - Applicability to Developing countries- Consumption Function - Keynes' Psychological Law of Consumption - Average and Marginal Propensity to Consume - Factors determining Consumption Function - Brief Review of Relative, Life Cycle and Permanent Income Hypotheses- Investment Function: Marginal Efficiency of Capital -Multiplier and Accelerator.

Module – 3: Money and Banking

Definitions of Money - Concepts of Money, Liquidity and Finance - Money Illusion - Gresham's Law - RBI classification of Money - Theories of Money: Fisher and Cambridge (Marshall, Pigou, Robertson and Keynes equations) - Banking - Definition and types of Banking - Commercial Banks - Functions -Recent Trends in Banking - Mergers and Acquisitions - Central Bank - Functions - Control of Credit by Central Bank - NBFCs- Factors contributing to their Growth and their Role

Module – 4: Inflation and Trade Cycles

Inflation: Concepts of Inflation, deflation, reflation and stagflation - Phillip's Curve - Measurement of Inflation - CPI and WPI -Types of Inflation - Causes and Consequences of Inflation -Measures to Control Inflation. Trade Cycles: Phases of a Trade Cycle -Causes and Measures to control Trade Cycles

Module -5: Finance and Insurance

Financial Assets and Financial Instruments - Financial Markets - Functions of Money Market - Functions of Capital Market - Stock Market - Exchanges – Indices: Sensex and Nifty - Concept of Insurance -Types and Importance of Insurance.

Reference Books:

1. Dillard. D., *The Economics of John Maynard Keynes*, Cross by Lockwood and sons, London
2. M. C. Vaish - *Macroeconomic Theory*, Vikas Publishing House, New Delhi.
3. S. B Gupta - *Monetary Economics*, S. Chand & Co, Delhi
4. P. N. Chopra, *Macroeconomics*, Kalyani Publishers, Ludhiana, 2014
5. D. M. Mithani, *Macro Economic Analysis and Policy*, Oxford and IBH, New Delhi
6. M N Mishra & S B Mishra, *Insurance Principles &Practice*, S Chand.
7. Lewis, M.K and P.DMizan - *Monetary Economics*, Oxford University Press, New Delhi
8. Central Statistical Organization, *National Accounts Statistics*.
9. M.L.Seth, *Macroeconomics*, Lakshmi Narayan Agarwal, 2006.
10. K. P. M. Sundaram, *Money, Banking & International Trade*, Sultan Chand, 2006.
11. R. R. Paul, *Monetary Economics*, Kalyani Publishers, Ludhiana, 2018
12. *Macroeconomics*, Spectrum Publishing House, Hyderabad, 2016

Recommended Co-curricular Activities:

1. Assignments on trends in national income, money supply and inflation
2. Student Seminars/webinars on macroeconomic themes of contemporary importance for Indian economy(Eg., Covid-19 impact on aggregate demand, supply chain disruption, policy response etc.,)
3. Quiz to test critical understanding of the concepts and theories of macroeconomics and their application in practice
4. Group discussions on monetary policy and its effectiveness with reference to recent developments.
5. Group project work to study the trends in national income, inflation, money supply etc.,
6. Chart/poster presentation on National Income Trends, inflation, aggregate demand etc.,
7. Web-based assignment on Banking/money

SEMESTER – 3:: COURSE – 3
DEVELOPMENT ECONOMICS

Module - 1: Economic Growth and Development

Economic Development as a Branch of Study of Economics – Scope and Importance - Distinction between Economic Growth and Economic Development -Measures of Economic Development and their limitations - Economy and Environment : Concepts of sustainable development and inclusive growth

Module -2: Modern Economic Growth

Characteristics of Underdeveloped Countries - World Bank and IMF Classification of countries - Modern economic growth – Kuznets’ Six Characteristics -Obstacles to economic development - Vicious Circle of Poverty and cumulative causation -Factors of economic growth: Economic and Non-economic - Capital Formation – Foreign and Domestic capital, Debt and Disinvestment.

Module-3: Theories of Development and Underdevelopment

Classical Theory: Adam Smith, Ricardo and Malthus -Marxian Theory - Schumpeter Theory -Rostow’s Stages of Economic Growth -Harrod-Domar two sector model -Solow’s Model and Robinson’s Golden Age

Module – 4: Strategies of Economic Development

Strategies of Economic Development – Big Push -Balanced Growth -Unbalanced Growth - Mahalanobis Model - Agriculture vs Industry -Capital Intensive Technology vs Labour Intensive Technology -Role of Infrastructure in Economic Development

Module - 5: Institutions and Economic Development

Role of State in Economic Development -Role of Markets - Market Failure and Regulation by State -Public sector vs Private sector -Financial Institutions and Economic Development - Role of International Institutions- IMF and World Bank – Role of FDI in Economic Development.

Reference Books:

1. Dhingra, I.C., *Indian Economy*, Sultan Chand, New Delhi, 2014.
2. Gaurav Datt and Ashwani Mahajan, *Datt and Sundharam's Indian Economy*, S.Chand & Co., 2016.
3. G. M. Meier, *Leading Issues in Economic Development*, Oxford University Press, New York, 3/e.
4. M. P. Todaro and Stephen C. Smith, *Economic Development*, 10/e, Indian Edition Published by Dorling Kindersley India Pvt. Ltd. 2012.
5. M. L. Koncham, *Economic development and planning*, Himalaya publications
6. S.K.Misra & V.K.Puri, *Indian Economy*, Himalaya Publishing House, 2015.
7. R.S.Rao, V.Hanumantha Rao & N.Venu Gopal (Ed.), *Fifty Years of Andhra Pradesh (1956-2006)*, Centre for Documentation, Research and Communications, Hyderabad, 2007.
8. G. Omkarnath, *Economics - A Primer for India* - Orient Blackswan, 2012.
9. *Economic development and growth*, Spectrum Publishing House, Hyderabad, 2016

Recommended Co-curricular Activities:

1. Assignments on the models and the strategies of economic development adopted in Indian economy
2. Student Seminar on development oriented themes relating to Indian economy
3. Quiz to test critical understanding of the fundamental concepts of growth and development and the growth models and strategies
4. Group discussion on the effectiveness of the roles played by various institutions in India's economic development
5. Group project work to examine specific aspects of growth like poverty, unemployment, human development, gender development as Indian experience in the context of economic development preferably at the state and local level
6. Poster presentation

SEMESTER – 4 :: COURSE – 4

ECONOMIC DEVELOPMENT- INDIA AND ANDHRA PRADESH

Module – 1 Basic Features

Basic characteristics of Indian Economy as a developing economy – Economic development since independence - Objectives and achievements of planning – Planning Commission/NITI Ayog and their approaches to economic development - India's Rank in Global Human Development Index .

Module 2 National Income and Demography

Trends in National income - Demographic trends - Poverty and Inequalities – Occupational Structure and Unemployment - Various Schemes of employment generation and eradication of poverty – Issues in Rural Development and Urban Development –Intra-state and Inter-state Labour Migration. Problems of Migrant Labour in unorganized sector.

Module – 3 Agricultural and Industrial Developments

Indian Agriculture – Agricultural Strategy and Agricultural Policy – Agrarian Crisis and land reforms – Agricultural credit – Minimum Support Prices -Malnutrition and Food Security - Indian Industry - Recent Industrial Policy – Make-in India – Start-up and Stand-up programmes – SEZs and Industrial Corridors - Economic Reforms and their impact - Economic initiatives by government of India during COVID - Atmanirbhar Bharat package.

Module –4 Indian Public Finance

Centre, States financial relations - Indian Tax System and Recent changes – GST and its impact on Commerce and Industry -- Recommendations of 15th Finance Commission – Public Expenditure and Public Debt - Fiscal Policy and Budgetary Trends

Module- 5 Andhra Pradesh Economy

Basic characteristics of Andhra Pradesh Economy – Impact of State bifurcation on AP Agriculture – New challenges to industry and commerce - New initiatives for the development of infrastructure – Power and Transport - Information Technology and e-governance – Urbanization and smart cities – Skill development and employment –Social welfare programmes.

Reference Books:

1. Dhingra, I.C., *Indian Economy*, Sultan Chand, New Delhi, 2014.
2. Gaurav Datt and Ashwani Mahajan, *Datt and Sundharam's Indian Economy*, S.Chand& Co., 2016.
3. G. M. Meier, *Leading Issues in Economic Development*, Oxford University Press, New York, 3/e.
4. M. P. Todaro and Stephen C. Smith, *Economic Development*, 10/e, Indian Edition Published by Dorling Kindersley India Pvt. Ltd. 2012.
5. P. K. Dhar, *Indian Economy: Its Growing Dimensions*, Kalyani Publishers, Ludhiana, 2018.
6. Reserve Bank of India, *Handbook of Statistics on Indian Economy* (Latest).
7. S.K.Misra&V,K,Puri, *Indian Economy*, Himalaya Publishing House, 2015.
8. R.S.Rao, V.Hanumantha Rao &N.Venu Gopal (Ed.), *Fifty Years of Andhra Pradesh (1956-2006)*, Centre for Documentation, Research and Communications, Hyderabad, 2007.
9. G. Omkarnath, *Economics - A Primer for India* - Orient Blackswan, 2012.
10. A.P Economy- Telugu Academy, 2018

Recommended Co-curricular Activities:

1. Assignments on specific issues of contemporary importance with reference to problems and remedial policies
2. Student Seminars on leading economic challenges, the effectiveness of relevant policies and programmes
3. Quiz to examine the knowledge and critical understanding of major policies, programmes achievements, failures relating to all sectors
4. Group discussions to promote critical understanding and evaluation capabilities of the students on major areas of Indian and AP economy
5. Group project work to study the implementation and effectiveness of major government schemes of development, poverty eradication and employment promotion etc.,
6. PPT presentation and participation in webinars to help the students acquire and adapt ITC skills in the process of learning
7. Field Visits to Agricultural farm/market/SSIs to understand the ground realities of economic situation of the country and the state

COURSE– 5(Semester - IV)
STATISTICAL METHODS FOR ECONOMICS

Module – 1: Nature and Definition of Statistics

Introduction to Statistics – Definition, scope, importance and limitations of Statistics –
Primary and Secondary data- Census and Sampling techniques and their merits and demerits

Module – 2: Diagrammatic Analysis

Collection of data - Schedule and questionnaire – Frequency distribution – Tabulation –
diagram and graphic presentation of data – Histogram, Frequency Polygon, Cumulative
Frequency Curves - Bar Diagrams and Pie Diagram

Module – 3: Measures of Central Tendency and Dispersion

Measures of Central Tendency and Dispersion - Types of averages- Arithmetic Mean,
Geometric Mean, Harmonic Mean – Median – Mode – Dispersion - Range, Quartile Deviation,
Mean Deviation, Standard Deviation- Coefficient of Variation.

Module – 4: Correlation and Regression

Correlation and Regression - Meaning, Definition and uses of Correlation- Types of
Correlation- Karl Pearson's Correlation coefficient - Spearman's Rank Correlation- Regression
Equations - utility of regression analysis – Demand forecasting.

Module – 5: Time Series and Index Numbers

Time Series and Index Numbers: Definition and components of Time Series – Measurement of
Time Series – Moving Average and the Least Squares Method – Index Numbers - Concepts of
Price and Quantity Relatives – Laspeyer's, Paasche's and Fisher's Ideal Index Numbers – Uses
and Limitations of Index Numbers.

Reference Books:

1. B. R. Bhat, T. Srivenkataramana and K.S. MadhavaRao (1996): *Statistics: A Beginner's Text*, Vol. I, New Age International (P) Ltd.
2. Goon A.M, Gupta M.K., Das Gupta B. (1991), *Fundamentals of Statistics*, Vol. I, World Press, Calcutta.
3. M. R. Spiegel (1989): *Schaum's Outline of Theory and Problems in Statistics*, Schaum's Outline Series.
4. F. E. Croxton, D. J. Cowden and S. Kelin S (1973), *Applied General Statistics*, Prentice Hall of India. 2.
5. S.P. Gupta, *Statistical Methods* , S. Chand & Co, 1985
6. S. C. Guptha, *Fundamentals of Statistics*, Himalaya Publishing House, Hyderabad.
7. Digambar Patri and D. N. Patri, *Statistical Methods for Economics*, Kalyani Publishers, Ludhiana, 2017.
8. Telugu Akademy Book, ParimanathmakaPaddathulu (For B.A.).

Recommended Co-curricular Activities:

1. Assignments of the application of various statistical methods
2. Student Seminar on themes requiring usage of tables, diagrams, statistical analysis and interpretation
3. Group project work for collection of data on locally relevant economic problems
4. Market survey on demand, supply, sales, prices of different kinds of projects like food items, FMCG, other consumable durables etc., etc., and Statistical Analysis- Mini Project and also income elasticity of demand for such products

Model Format for Question Paper

Recommendations to the paper setters

1. The paper setter may him/herself prepare a blue print assigning appropriate weightage to all learning outcomes as per Blooms Taxonomy and specified in the syllabus (if no design is prescribed)
2. All units may be fairly covered and even the learning outcomes may be fairly distributed.
3. Action verbs specific to the learning outcome to be tested may be used.
4. There may be no ambiguity in the question. The wording may be carefully framed.
5. Weightage to the difficulty level may also be determined in such a way that neither the paper is too difficult nor too easy. Even an average learner shall be able to pass the examination with minimum marks.

SECTION - A

Write Short Answer for any FIVE of the following Each question carries 5 marks (5 x 5 = 25 Marks)

1	
2	
3	
4	
5	
6	
7	
8	

(Total 8 Questions in Section A)

SECTION – B

Answer the following questions

Each question carries 10 marks (5 x 10 = 50 Marks)

9	(a) or (b)
10	(a) or (b)
11	(a) or (b)
12	(a) or (b)
13	(a) or (b)

(Total 10 Questions in Section–B. Internal choice for all questions from 9 to 13 (Two questions given under choice shall be from the same unit)
