

**Programme Curriculum Document**

**PhD Programme in Economics**

The Icfai Foundation for Higher Education  
(Declared as deemed-to-be University U/S 3 of UGC Act, 1956)

**Hyderabad**



*S. Vijayalaxmi*  
REGISTRAR  
THE ICFAI FOUNDATION FOR HIGHER EDUCATION  
(Deemed-to-be-University Under Section 3 of the UGC ACT, 1956)

## The ICFAI Foundation for Higher Education

The ICFAI Foundation for Higher Education is a Deemed-to-be University established in the year 2008 under section 3 of the UGC Act, 1956. The University is a member of the Association of Indian Universities (AIU) and Association of Commonwealth Universities (ACU). IFHE campus is a 92 acre lush green sylvan campus with built-up area of over 16 lakh sq. ft. The campus is fully Wi-Fi enabled and equipped with the state-of-the-art facilities like amphitheatres, auditoriums, academic blocks, fully equipped library block, computer center, language lab, hostels, canteen, etc.

### IBS, Hyderabad

IBS Hyderabad (Faculty of Management) is a constituent of the ICFAI Foundation for Higher Education (IFHE). Since its establishment in 1995, IBS has grown impressively and achieved widespread recognition from business and industry, academic circles and professional bodies. IBS offers high quality programs in different areas of management to a cross section of students. IBS has a reputation of innovative program design and delivery, quality courseware, personalized instruction, strong industry interface, research, consultancy and publications.

### Eligibility Criteria

- Graduation with 50% and above marks and
- Post Graduate in Economics or allied discipline with 55% and above marks.

### 1. Duration of the Program

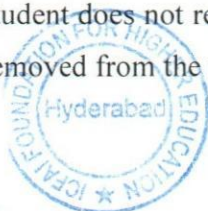
- 1.1 PhD Program, both full time and part time, shall be for a minimum duration of 4 years, including the course work and a maximum of Eight years.
- 1.2 Extension beyond the above limits or early submissions (before 4 years) will be governed by the decision of the competent authority and ratification by the Academic Council.

### 2. Procedure for Admission

- 2.1 PhD Entrance Test shall be conducted by each Faculty. Each Faculty shall have its own modalities as approved by the competent authority.
- 2.2 M.Phil degree holders, UGC-NET/JRF/CSIR-NET/SLET/GATE qualified candidates are exempted from the entrance test.
- 2.3 In case of management stream, Candidates with GMAT® score of 500 & above, CAT percentile of 60 & above, IBSAT qualified are exempted from the entrance test.
- 2.4 Final selection process consists of Interview (which may include research aptitude test and micro presentation)

### 3. Semester Registration

- 3.1 PhD Students have to register for every semester at the beginning of each semester. If a student does not register for a semester without seeking exemption, his/her name may be removed from the rolls of PhD program.



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#### 4. PhD Program Structure

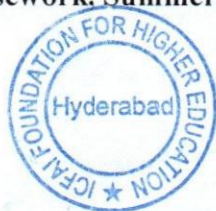
The Ph. D Program Structure				
Year	Semester I		Semester II	
	Course Title	Credits	Course Title	Credits
I	Research Methods-1	4	Advanced Econometrics	4
	Economic Growth and Development	4	Theory of Finance	4
	Topics in Macroeconomics	4	Topics in Public Policy	4
	Topics in Microeconomics	4	International Economics	4
	<b>Total credits</b>	<b>16</b>	<b>Total credits</b>	<b>16</b>
Summer Research Project PhD Qualifying Examination				
II	DAC Formation, PhD Thesis Proposal Development, Progress Seminars			
III	PhD Thesis Proposal Submission, Progress Seminars			
IV	Thesis Data Seminar, PhD Thesis Proposal Submission and Viva Voce			

4.1 Minimum credits required for Ph. D program is 32.

4.2 Upon successfully clearing the PhD qualifying exam, the full time PhD students are required to give at least one PhD Proposal preparation seminar in every semester. Upon successful thesis proposal defense, full time PhD students are required to give at least one PhD Thesis Progress Seminars in every semester until they submit the thesis for evaluation.

4.3 Upon successfully clearing the PhD qualifying exam, the part time PhD students are required to give one PhD Proposal preparation seminar in every 4 months. Upon successful thesis proposal defense, part time PhD students are required to give at least one PhD Thesis Progress Seminars in every 4 months until they submit the thesis for evaluation.

#### 5. Coursework, Summer Research Project and PhD Qualifying Examination



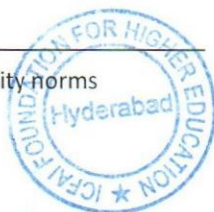
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- 5.1 **PhD Course work:** The objective of the coursework is to impart scholarship and to equip the student with the latest developments in the discipline, including the tools of research. In the first year the student takes **8 courses of 4 credits** each spread across two semesters.
- 5.2 Students who receive scholarships<sup>1</sup> are required to maintain a minimum CGPA of 7.5/10.0 at the end of the course work. Further, a student is also required to secure a minimum grade of 'C' in each course in order to be eligible to continue in the program. Method of calculating GPA/CGPA is illustrated in Appendix-A.
- 5.3 At the end of Semester-1, if the GPA falls within the range of 6.0 to 7.5, students may be allowed to proceed to Semester-2. However, they may have to improve the GPA of Semester-1 by taking up assignments/term papers/examinations in certain courses, in consultation with the faculty members who have handled the courses. However, the stipend would be stopped till they make up the GPA to 7.5 in both the semesters.
- 5.4 **Summer Research Project:** Each student is required to take up a research project individually at the end of course work. The research project will be guided by a faculty member from their respective departments. The student is required to complete the project and submit a report to the faculty guide, who will evaluate it and award Satisfactory / Unsatisfactory grade.
- 5.5 Students who successfully complete the coursework with a minimum CGPA of 7.5 are eligible to appear for PhD qualifying examination. The qualifying examination consists of written examination followed by a viva voce.
- 5.6 The qualifying viva voce would be conducted by a panel of examiners. Based on the overall performance, the result of the qualifying examination will be declared in terms of "Pass" or "Fail". The student may avail a maximum of two attempts for clearing the qualifying examination. If a student fails to qualify in two attempts, he/she will be discontinued from the program.

## 6. Doctoral Advisory Committee

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<sup>1</sup> As per University norms



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6.1 Upon successful completion of the PhD Qualifying exam, Doctoral Advisory Committee (DAC) will be constituted. The role of the DAC is to guide the student to sharply focus on the exact area of research and help in formulating the thesis proposal.

6.2 DAC comprises one convener and two members. DAC is appointed based on the following criteria:

- a. The Convener and members should be from the broad area in which the student opts to pursue the PhD research.
- b. The Convener and members should possess a PhD degree.
- c. The proposed convener and members should have **at least four publications** in refereed journals or in journals recognized by the University.
- d. However, a senior professional, holding a PhD degree in the relevant area (related to Management, Engineering, Science and Law), and having long professional experience in organizations of repute, may also be appointed as member of DAC.

**The role of the DAC is:**

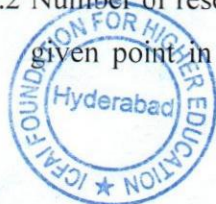
- a) To guide the student to sharply focus on the exact area of research and help in formulating the thesis proposal.
- b) To periodically review and assist in the progress of the research work of the research scholar.
- c) To guide the research scholar to develop the study design and methodology of research
- d) The DAC is expected to submit a quarterly progress report of the student to the PhD Office.

The DAC exists till the approval of the Thesis Proposal by the University. The DAC convener invariably becomes the supervisor subject to approval by the screening committee.

**7. Allocation of PhD Supervisor**

7.1 Only a full time regular faculty member can act as a supervisor.

7.2 Number of research scholars that can be guided by a supervisor/convener/member at any given point in time is limited to 6 (six) for all the faculty members (Professor/Assoc.



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Professor/Asst. Professor) and 3 (three) for all the academic administrators (Directors/Deans/HODs).

7.3 In case of research topics which are inter-disciplinary in nature, apart from the supervisor, a co-supervisor may also be appointed from outside the Department/ Faculty/ College/Institution, on such terms and conditions as may be specified and agreed upon by the consenting Institutions/Colleges.

## 8. Preparation, Submission and Defense of Thesis Proposal

8.1 The student would prepare Thesis proposal document under the guidance of his/her DAC. The proposal approved by the DAC would be forwarded to the PhD Screening Committee for review.

8.2 The student is required to submit the first draft of the Thesis Proposal for review within two semesters after passing the Qualifying examination.

8.3 The proposal draft should not exceed 20 pages excluding the references. To ensure that all the relevant aspects of a PhD Thesis Proposal are covered, students are expected to prepare the draft based on the format prescribed.

8.4 The Doctoral Advisory Committee of a student, after satisfying itself, will request the Convener to forward the proposal for approval. The Convener should forward the Thesis Proposal in the prescribed Performa to the concerned PhD Coordinator along with the suggested name and CV of the proposed Supervisor for approval of the Screening Committee (consisting of senior faculty members appointed by the Vice Chancellor).

8.5 The Screening Committee will check the quality of the PhD Thesis Proposal. Specifically, it will focus on the clarity of the objectives, thoroughness of the review of literature, proposed methodology, data analyses, and whether the thesis work makes a significant contribution to the existing body of knowledge. The Screening Committee, after deliberations, may decide on one of the following:

- a) It accepts the proposal and recommends approval of the same.
- b) It suggests the student to make minor revisions in the proposal and resubmit.
- c) It suggests the student to make major changes in the proposal and resubmit and present the proposal again to the Screening Committee.



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d) It rejects the proposal.

e) If the screening committee rejects the proposal the student has to work and resubmit the proposal again to the screening committee within a stipulated period of time.

8.6 By beginning of the third academic year, students are required to defend their theses proposals. Proposals cleared by the committee are scheduled for defense seminar, attended by the DAC, department faculty members, fellow PhD students and the Screening Committee.

8.7 Appointment of Supervisors would be done based on successful completion of the PhD Proposal Defense, by the Screening Committee.

## 9. PhD Thesis Preparation and Submission

9.1 In the fourth academic year students have to complete the Ph D thesis work and submit the thesis for evaluation.

9.2 Change of title of the thesis by the student is permitted in exceptional cases on taking necessary approvals from the Screening Committee. PhD Supervisor has to provide justifications for the change of title and request for the same in a prescribed format available in the PhD office (Refer Annexure-3).

9.3 Transfer of PhD students from one supervisor to another supervisor can be effected by the Screening Committee on the merit of the case.

9.4 PhD Supervisor has to verify, confirm and certify that the thesis data collected by his/her student is genuine.

9.5 While submitting the thesis for evaluation, the dissertation/thesis shall have an undertaking from the research scholar and a certificate from the PhD supervisor attesting to the originality of the work, vouching that the thesis is free of plagiarism and that the work has not been submitted for the award of any other degree/diploma of the same institution or to any other institution.

9.6 Plagiarism percentage is fixed at 10%. Would be adjusted as per the UGC guidelines.

9.7 While submitting for evaluation, the dissertation/thesis shall have an undertaking from the PhD student and a certificate from the Supervisor attesting to the originality of the



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work, vouching that there is no plagiarism and that the work has not been submitted for the award of any other degree/diploma of this University or to any other institution.

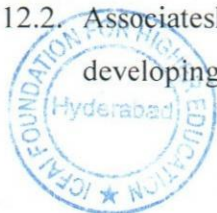
- 9.8 PhD student must publish at least one research paper in a refereed journal, before submission of the thesis for adjudication, and produce evidence for the same in the form of acceptance letter and/or reprints.
- 9.9 PhD student must make two paper presentations in conferences/seminars, before submission of the thesis for adjudication and produce evidences for the same.

## 10. Progress Seminars

- 10.1 A PhD student is expected to give at least one progress seminar every semester in their respective department until he/she submits the thesis. The seminar tests the students for the following:
- ✓ Knowledge of basic concepts
  - ✓ Ability to apply the knowledge of basic concepts
  - ✓ Additional knowledge acquired
  - ✓ Ability to analyze a given problem or situation
  - ✓ Logical development of the subject
  - ✓ Effective oral communication
- 10.2 After the successful defense of the PhD proposal, students are required to give one progress seminar exclusively on sampling design and data, computational and experimental procedures, where relevant.
- 10.3 Evaluation of progress seminars would be done by the respective Supervisors/DAC Conveners at the end of the seminar. (Refer Annexure - 4).
- 10.4 Two consecutive unsatisfactory grades will be viewed seriously and will not be permitted to continue in the PhD Program.

## 11. Research/Teaching Internship/Associateship

- 12.1. After successfully defending their theses proposals, full time PhD students may be required to involve in teaching, research or related academic activities.
- 12.2. Associateship is one of the important components of the PhD curriculum in developing professional competencies among the students. During the program, the



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students will be associated with area heads/program coordinators or DAC members who would act as mentors to the students and provide them continuous guidance. The nature of associateship is normally in the areas of teaching, research and institutional development with an objective that each student is thoroughly exposed to the nuances in these areas. Students have to work up to 10 hours per week towards associateship. Work related to Admission and Registration, Accreditation, Conference/MDP Organization, invigilation and teaching internships would be allotted within the cap of 10 hours/week, in consultation with the mentor. A mentor can have up to a maximum of only two mentees at any given point in time.

## 12. Performance Monitoring and Feedback

- 12.1 The performance of students post PhD qualifying examination would be done on a quarterly basis.
- 12.2 The DAC Conveners/PhD Supervisors are expected to submit a quarterly Progress Report on the performance of their students in the prescribed format (Refer Annexure-5).
- 12.3 In case the progress of the PhD student is unsatisfactory, the DAC Convener/Supervisor has to record the reasons for the same and suggest corrective measures. If the student fails to implement these corrective measures, the DAC Convener/Supervisor may recommend to the concerned competent authority with specific reasons for cancellation of the PhD registration.

## 13. Appointment of Examiners

- 13.1 The Supervisor will submit a list of proposed examiners to the Registrar. Names and addresses along with the curricula vitae of at least six eminent persons in the field of research, should be proposed in the list (4 external examiners and 2 internal examiners).
- 13.2 The Vice Chancellor will select 3 examiners (2 external and 1 internal from the list submitted to him) and form a panel of examiners consisting of the Supervisor and the three selected ones.
- 13.3 The examiners may be from India or abroad. At least one examiner will be from outside the State.



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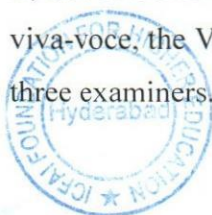
13.4 The Vice Chancellor may ask the Supervisor or the Registrar to submit more names in the panel of proposed examiners if he so desires.

#### **14. Examiner's Report on the Thesis**

- 14.1 Invitations would be sent to the examiners selected by the Vice Chancellor. If they accept to evaluate the thesis, hard/soft copies of theses are sent to them, along with the recommendation forms. The Thesis Examiners have to complete and send their separate review reports on the Thesis along with the recommendation, in the approved format, to the concerned PhD Coordinator, within 10 weeks. An extension of maximum one month may be given for the purpose.
- 14.2 If the report is not received from an examiner within the stipulated period, the Thesis will be sent to another examiner chosen by the Vice Chancellor from the panel submitted by the Supervisor.
- 14.3 In case, all the examiners approve the thesis, it will be accepted and the student shall appear for the viva-voce examination.
- 14.4 In case, any one of the three examiners has not approved the thesis, the thesis shall be referred again to a fourth examiner, Indian or Foreign as the case may be. However, if the fourth examiner does not approve the thesis, the thesis shall be rejected and the registration will be cancelled.
- 14.5 If the examiner(s) suggest a revision and re-submission of the thesis, then the revised thesis duly certified by the supervisor shall be sent to all the examiners. If they all approve the revised thesis then the student shall appear for the viva-voce.
- 14.6 When a student is required to revise and resubmit his/her Thesis, his/her status will revert to what it was before the submission of the Thesis.

#### **15. PhD Viva voce Examination**

- 15.1 Upon approval of the thesis unanimously by all the 4 examiners, viva-voce examination for the student would be scheduled. Normally, the same panel of four examiners will conduct the viva-voce examination, which should be open to research scholars, faculty members and others.
- 15.2 If, due to some unforeseen circumstances, one of the examiners is unable to attend the viva-voce, the Vice-chancellor may permit to conduct the viva-voce with the remaining three examiners.



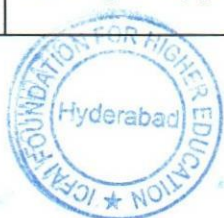
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Statistics for Managers using Microsoft Excel	David M. Levine, David Stephan, Timothy C. Krehbiel, Mark L. Berenson, Fifth Edition, PHI Learning, 2009
Statistics for Management	Richard L. Levin & David S. Rubin, Pearson, 2010

**Session Plan:**

#	Topics	Session Allotted
1.	<b>Introduction: Data and Statistics</b>	1
2.	<b>Descriptive Statistics</b> * Types of Data * Distributions from Data * Measure of Location and Variability	3
3.	<b>Probability Concepts</b> * Probability Basics * Conditional Probability * Bayes' Theorem	3
4.	<b>Probability Distributions</b> * Random Variable * Binomial, Poisson, Hyper-geometric, Exponential & Normal Distributions * Expected Value and Variance	4
5.	<b>Sampling &amp; Sampling Distributions</b> * Sampling Concept & Terminologies * Various Sampling Methods * Point Estimation * Concept of Sampling Distribution	4
	<b>Mid Term Evaluation</b>	1
6.	<b>Interval Estimation &amp; Sample size Determination</b> * Confidence Intervals for Mean & Proportion * Sample size estimation	2
7.	<b>Testing of Hypotheses</b>	4



  
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	<ul style="list-style-type: none"> <li>* Basic Concepts</li> <li>* Testing for Mean, Proportion (One Population)</li> <li>* Testing for differences in Means, and Proportions (Two Populations)</li> </ul>	
8.	<b>Inference about Population Variance and Goodness of Fit tests</b> <ul style="list-style-type: none"> <li>* Variance Test</li> <li>* Test of Independence</li> <li>* Goodness of Fit Test</li> </ul>	4
9.	<b>Analysis of Variance</b> <ul style="list-style-type: none"> <li>* Testing equality of Means of several Populations</li> <li>* Multiple Comparison Procedure</li> </ul>	3
10.	<b>Introduction to Regression</b> <ul style="list-style-type: none"> <li>* Scatter plots &amp; Correlations</li> <li>* Least Squares Method</li> <li>* Coefficient of Determination</li> <li>* Simple Linear Regression</li> <li>* Assumptions of Regression</li> <li>* Inference and Regression</li> </ul>	4
	<b>Total</b>	<b>33</b>

**Evaluation Guideline:**

Your grade will be determined based on the following components:

	<b>Total</b>
1) Class Test/Quiz	20%
2) Mid Term (written exam)	30%
3) Final Exam (written exam)	50%

SHEC732: Advanced Econometrics

Course Overview



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This course is the continuation of Research Methodology I (RM I). This course starts with linear regression. Since Regression analysis is one of the major and most popular tool of data analysis, this course covers regression analysis in detail especially in multivariate context. Subsequently it exposes the students to some other multivariate techniques like Factor analysis, Cluster analysis and discriminant analysis. The objective is to equip the students with basic data handling capacity and make them able to evaluate findings emanating from a particular research methodology.

### Pedagogy

The course will be delivered through lectures and mostly through either hands on sessions or demonstration. SPSS will be used for this purpose. At the beginning/end of each topic, the students will be given a data set with a list of problems to be discussed in class or to be submitted as assignments.

### Learning Objectives

Upon completion of the course, the scholar should be able to understand the nuances of data analysis. The objective is to equip the students with basic data handling skills and make them able to evaluate findings from application of research methods. Also to improvise on specific sophisticated analysis is another objective of this course.

### Evaluation and Grading

The total marks for the course is 100 and will be distributed as follows:

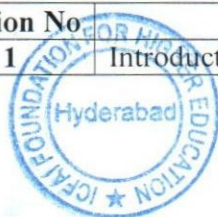
1) Class Test/Quiz	20%
2) Mid Term (written exam)	30%
3) Final Exam (written exam)	50%

### Prescribed Text Book

TEXT BOOK	AUTHOR / PUBLICATION
Multivariate Data Analysis	Joseph F. Hair, Bill Black, Barry Babin, Roleph.E. Anderson, Ronal L Tatham
Basic Econometrics	Damodar Gujarati McGraw-Hill economics series,4 <sup>th</sup> Edition

### Topics

Session No	Topic
1	Introduction to Regression Analysis and Two Variable Regression Analysis



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2	Two Variable Regression Model
3	CLRM
4, 5	Interval Estimation & Hypothesis Testing
6,7	Functional forms of Regression Models
8, 9, 10	Multiple Regression Analysis
11, 12	Dummy Variables
13, 14	Multicollinearity
15, 16	Heteroscedasticity
17, 18	Auto Correlation
19, 20, 21	Logistic Regression and Discriminant Analysis
22, 23, 24	Factor Analysis
25, 26, 27	Confirmatory Factor Analysis
28, 29, 30	Structural Equation Modeling and Path Analysis

## SHEC701: Economic Growth and Development

### Course Handout & Session Schedule

#### Course Objective:

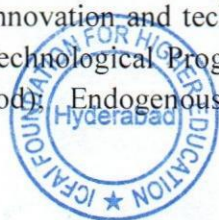
Development Economics is fascinating because it shows how economic analysis can help us to understand the big themes of the 21st century. This program is enabling the students to conduct both theoretical and empirical research at high level.

#### Scholarly Outcome:

By the end of the course students it is expected that the students shall submit a manuscript that is of publishable quality.

#### Module 1: (Session 1 – 6)

Economic Growth and Development: An overview: Classical Theories of Development: Growth Models; Innovation and technological change: New growth theories; Institutions and economic growth; Technological Progress: Embodied and disembodied; Neutral and Non-Neutral (Hicks and Harrod); Endogenous Growth Theory: Role of learning, education and research;



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Accumulation of Human Capital; Explanation of Cross-Country Differentials in Economic Growth, Contemporary Models of Development and Underdevelopment.

- Amartyasen(2001):"Economic development and Capability expansion in Historical perspective",Pacific Economic Review
- Robert M.Solow(1994): "Perspectives on Growth Theory",Journal of Economic Perspectives
- Sato(1964):"The Harrod Domar Model vs The Neo-classical Growth Model"The Economic Journal.
- Robert M.Solow:"A contribution to the theory of economic Growth",Oxford Journals.
- Robert M.Solow(2016):"The Resources and Economic Growth",The American Economist

### Module-2 (Session 7-11)

Poverty, Inequality, and Development

Measuring Inequality and Poverty; Poverty, Inequality, and Social Welfare; Absolute Poverty: Extent and Magnitude; Economic Characteristics of Poverty Groups; Inequality: Causes and consequences, The Range of Policy Options.

- Amartya sen(1979):"issues in the measurement of poverty",Scand Journal of Economics
- Deaton and Dreeze(2002):Poverty and inequality in India",Economic &Political weekly
- IMF(2015): Causes and consequences of Income equality",Staff Discussion Note 0  
Applying Sen's capability approach to poverty alleviation programme",Journal of Human development,Routledge

### 1<sup>st</sup> NCP: 9<sup>th</sup> Session

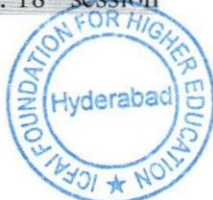
### Module 3 (Session 12 – 17)

Agricultural Growth

Past Progress and Current Challenges; The Structure of Agrarian Systems in the Developing World; The Economics of Agricultural Development: Transition from Peasant Subsistence to Specialized Commercial Farming.

- Titus O.Awokuse(2015):"Does agriculture really matter for economic growth",Canadian Journal of Agricultural Economics
- Binswanger(1997):Explaining Agriculture and Agricultural policies in developing countries",Journal of Economic Literature

### 2<sup>nd</sup> NCP: 18<sup>th</sup> session



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#### Module 4 ( Session 19 – 24 )

##### Human Capital: Education and Health in Economic Development

Education and Health as Joint Investments for Development; Improving Health and Education: Why Increasing Income Is Not Sufficient? Investing in Education and Health: The Human Capital Approach; Child Labor; The Gender Gap: Women and Education; Educational Systems and Development; Health Systems and Development

- Amartyasen(2000): “The income component of HDI”,Journal of Humn Development
- Sylvia Chant:”Rethinking the Feminization of poverty in relation to Aggregate Gender indices”,Routledge.
- Amartyasen(2000):”A decade of Human development”,Journal of Human development.
- Mario Biggeri,renato Libanora,Stefano mariani and Leobnardo Menchini(2006)Children conceptualizing their capabilities”,Journal of Human development,Routledge.

#### Module 5: (25 – 29)

##### Population Growth and Migration

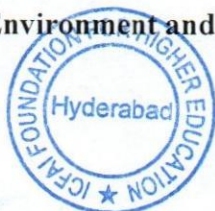
Population Growth and the Quality of Life; The Demographic Transition; The Causes of High Fertility in Developing Countries: The Malthusian and Household Models; The Consequences of High Fertility; Some Policy Approaches. The Migration and Urbanization Dilemma: The Role of Cities; The Urban Giantism Problem; The Urban Informal Sector; Urban Unemployment; Toward an Economic Theory of Rural-Urban Migration.

- Harris &Todaro(1970):”Migration, unemployment &Development”,American Economic review
- Oded Galor(2000):”Population,Technology &Growth”,American Econoic review
- Oded Stark&David Bloom(1985):”The new economics of labour migration”,The American Economic review
- Oded Galor and david N.Weil(2000):”Population, technology and Growth:From Malthusian Stagnation to the Demographic Transition and beyond”,The American Economic review
- Malthusian stagnation to modern growth”,The American economic review,1999

#### 3<sup>rd</sup> NCP: 27<sup>th</sup> session

#### Module 6: (Session 30 – 33)

##### The Environment and Development



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The Environment and Development; The Scope of Environmental Degradation: An Overview; Rural Development and the Environment ; Global Warming and Climate Change; Traditional Economic Models of the Environment; Urban Development and the Environment; The Need for Policy Reform; The Local and Global Costs of Rain Forest Destruction and Greenhouse Gases; Policy Options in Developing and Developed Countries.

- Johan Eyckmans and Michael Finus(2006): “New roads to International Environmental Agreements”,Environmental Economics and Policy studies,Springer-verlag
- Ayumi Onuma(1999): “Sustainable consumption,Sustainable development and Green NNP”,Environmental Economics and Policy studies,Springer-Verlag
- Pascale Combes Motel,Johanna Choumert(2014):”Explorations in the Environment-Development dilemma,Environ Resource Econ,Springer

#### **Books and Papers:**

1. Basu, Kaushik (2003). Analytical Development Economics – The Less Developed Economy Revisited (Paperback), MIT Press (MA)
2. Todaro, Michael and Smith, Stephen (2011). Economic Development, 11 ed., Pearson
3. Schumpeter, Joseph A. (1982).The Theory of Economic Development: An Inquiry into Profits, Capital, Credit, Interest, and the Business Cycle New ed Edition, Transaction Publishers
4. Sen, Amartya (2001).Development as Freedom Reprint Edition, Oxford University Press
5. Behrman, S. and T.N. Srinivasan (1995), Handbook of Development Economics, Vol. 3, Elsevier, Amsterdam.
6. Chenery, H. and T.N. Srinivasan (Eds.) (1989), Handbook of Development Economics, Vols. 1 & 2, Elsevier, Amsterdam.

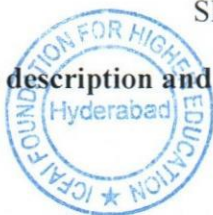
#### **Course Evaluation:**

The course evaluation is divided into the following three components

- |   |   |          |
|---|---|----------|
| 1. Class Participation and Presentation | : | 30 Marks |
| 2. Term Paper Submission                | : | 30 Marks |
| 3. End Term Exam                        | : | 40 Marks |

#### **SHEC702: TOPICS IN MACROECONOMICS**

#### **Course description and objectives**



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This course is part of part of two semester course work on Advanced Economics for PhD students. The goal of this course is to introduce students to modern macroeconomic theory. It will focus on consumption, investment, inflation, unemployment, economic fluctuations, Fiscal policy, monetary policy etc.

**Pedagogical Outcome:**

The learning goals for this course are:

- Learn contemporary theories and/or empirical issues of consumption/saving, investment, open economy macroeconomics, economic policies etc.
- learn how to develop a good research question into a good paper by learning the tools of macroeconomic analysis

**Scholarly Outcome:**

It is expected that at the end of the semester the scholar would submit research proposal, which can be extended as a PhD thesis proposal in the area of macroeconomics.

**Course Evaluation:**

The course evaluation is divided into three components:

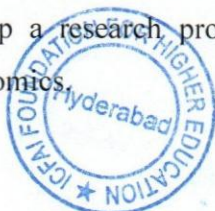
1. In class evaluation - 30% Weightage
2. Term paper evaluation - 30% Weightage
3. End term evaluation - 40% Weightage

**In class evaluation:**

In class evaluation is determined both by the quality of presentation made and quality of contributions made through class participation. The papers dealt in the course will only pilot the discussions relating to the topics. For each topic dealt, both the presenter and the members are strongly encouraged to pursue both the forward references and the backward references pertaining to the topic and discuss about them during the course of discussions. Bringing out newer and alternate points of view during the course of discussions will be strongly encouraged and such contributors will be academically rewarded.

**Term paper evaluation:**

The manuscript draft that is due for submission should be a research proposal in the area of macroeconomics. You are requested to select a topic in area of your interest in macroeconomics and develop a research proposal, which can be extended as Ph.D proposal in the area of macroeconomics.



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Final marks will be strictly based on comprehensiveness of paper, robustness of the proposed methodology – or quality of arguments made and writing skills. You are strongly encouraged to discuss your research progress during the course proceedings with the instructor and make three presentations during the semester.

### End term evaluation:

You will face an examination for 100 marks for 3 hours at the end of the course. These marks will be converted to 40 marks

### Component breakage:

Class participation	-	15 marks
Class presentations	-	15 marks
Term paper presentations	-	10 marks
Term paper report	-	20 marks
End term examination	-	40 marks
<b>TOTAL</b>	-	<b>100 marks</b>

### Reference books

1. Wendy Carlin and David Soskice (2007), *Macroeconomics : Imperfections, Institutions, and Policies (2007)*, Oxford University Press, New Delhi, 1<sup>st</sup> Indian Edition
2. David Romer, (2012) , *Advanced Macroeconomics*, McGraw-Hill Ryerson, 4<sup>th</sup> Edition

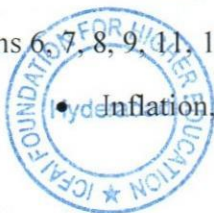
## COURSE PLAN

### Session 1, 2,3,4,5

- Consumption under certainty-Life cycle and permanent income hypothesis,
- Consumption under uncertainty- The random walk hypothesis
- Beyond the permanent income hypothesis
- Investment and cost of capital, adjustment cost.
- Tobin q, uncertainty and investment

### Sessions 6, 7, 8, 9, 11, 12, 13, 14, 15,16

- Inflation, Seniorage and inflation , Cost of inflation



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- The Government Budget Constraint
- The Ricardian Equivalence Result, Ricardian Equivalence in Practice
- Tax- Smoothing, Political-Economy Theories of Budget Deficits,
- Strategic Debt Accumulation, Delayed Stabilization
- Empirical Application: Politics and Deficits in Industrialized Countries, The Costs of Deficits,
- Theories of unemployment - The Shapiro-Stiglitz Model
- Contracting Models, Search and Matching Models, Implicit Contracts
- Insider outsider models, Hysteresis.

### Session 10

Presentation of Term paper progress

### Sessions 17,18,19,20, 22

- Open Economy Macroeconomics-Fixed and flexible
- Trade Balance and Balance of payments
- Mundell- Fleming Model and its extensions
- Shocks and Policy Responses in Open Economy
- 2 bloc Model,International Spill over, EMU.

Session 21:

Presentation of term paper progress

### Sessions 23,24,25, 26, 27

- Aggregate Demand , Supply
- IS-LM model
- New Keynesian Theories
- Quantitative Business Cycles
- Financial Accelerator, ,Theories of Real Business Cycles

Sessions 28, 29, 30, 31, 32

- Money growth and interest rates
- Monetary policy and term structure of interest rates
- Dynamic inconsistency of low inflation monetary policy etc

Session 33

Presentation of term paper



*S. Vijayalakshmi*

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## SHEC703: Topics in **Microeconomics**

### **Course Objective:**

This course provides rigorous training in research methodology, and strong foundation in theoretical and applied economics. This program is enabling the students to conduct both theoretical and empirical research at high level.

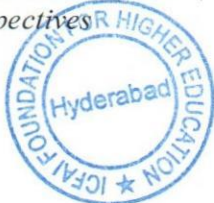
### **Scholarly Outcome:**

By the end of semester the scholar should submit research article that is of publishable in any journal.

### **Module 1: (Session 1 – 3)**

**An Overview of microeconomic theory:** Economic Models; Characteristics of Equilibrium and Disequilibrium Systems

- Daniel M. Hausman (1989) "Economic Methodology in a Nutshell" *Journal of Economic Perspectives*



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- *Herbert A. Simon (1959) "Theories of Decision-Making in Economics and Behavioral Science," American Economic Review*

### **Module-2 (Session 4 – 7)**

**Consumer Behavior :** Elasticity (price, cross, income) of demand — theoretical aspects and empirical estimation; Theories of demand — utility; Indifference curve (income and substitution effects, Slutsky theorem, compensated demand curve) and their applications; Revealed preference theory; Revision of demand theory by Hicks; Characteristics of goods approach;

Consumer's choice involving risk; indirect utility functions (duality theory); Recent developments in demand analysis (pragmatic approach and linear expenditure systems); Consumer's surplus; Inter-temporal consumption;

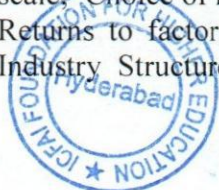
Recent developments in demand; elasticity of supply Elementary theory of price formation — demand and supply equilibrium; Cobweb theorem; lagged adjustment in interrelated markets.

- *Afriat, S. N. 1967. The Construction of Utility Functions from Expenditure Data. International Economic Review 8(1):67–77.*
- *Choi, Syngjoo, Shachar Kariv, Wieland Muller, and Dan Silverman. 2014. Who is (More) Rational? American Economic Review 104(6):1518–50.*
- *Jensen, Robert T., and Nolan H. Miller. 2008. Giffen Behavior and Subsistence Consumption. American Economic Review 98(4):1553–1577.*
- *Hausman, Jerry. 2003. Sources of Bias and Solutions to Bias in the Consumer Price Index. Journal of Economic Perspectives 17(1):23–44.*
- *Net Benefits. 2013. The Economist, March 9.*
- *Pennies From Heaven. 2013. The Economist, October 26.*
- *Hausman, Jerry. 1981. Exact Consumer's Surplus and Deadweight Loss. American Economic Review 71(4):662–676.*
- *Hausman, Jerry. 1997. Valuing the Effect of Regulation on New Services in Telecommunications. Brookings Papers on Economic Activity: Microeconomics:1–38.*

### **Module 3 (Session 8 – 15)**

#### **Theory of Production and Costs**

Production function — short period and long period; law of variable proportions and returns to scale; Choice of input combinations (Equal product curves) — Least cost combination of inputs; Returns to factors; Economies of scale and Economies of Scope- Non cost Determinants of Industry Structure-Multi-product firm; Elasticity of substitution; Euler's theorem; Technical



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progress and production function; Cobb-Douglas, CES, VES and Translog production functions and their properties;

Empirical work on production functions; Traditional and modern theories of costs — Empirical evidence; Derivation of cost functions from production functions; derived demand for factors.

- Bloom, Nicholas, Aprajit Mahajan, David McKenzie and John Roberts. 2010. *Why do Firms in Developing Countries Have Low Productivity?* *American Economic Review: Papers & Proceedings*, 100(2):619–623.
- Tybout, James R. 2000. *Manufacturing Firms in Developing Countries: How Well Do They Do, and Why?* *Journal of Economic Literature* 38(1):11–44.
- Hsieh, Chang-Tai, and Peter J. Klenow. 2009. *Misallocation and Manufacturing TFP in China and India.* *Quarterly Journal of Economics* 124(4):1403–1448
- Syverson, Chad. 2011. *What Determines Productivity?* *Journal of Economic Literature* 49(2):326–65.
- *Substitution, Technical Progress, and Returns to Scale*, C. E. Ferguson, *The American Economic Review*, Vol. 55, No. 1/2 (Mar. 1, 1965), pp. 296-305

#### **Module 4 ( Session 16 – 22)**

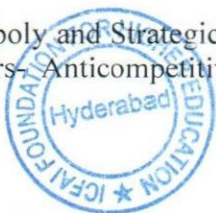
#### **Market Structure and Market Power**

Marginal analysis as an approach to price and output determination: perfect competition

Monopoly — Price Discrimination and Monopoly: Linear Pricing,- Price Discrimination and Monopoly: Non-linear Pricing.- Product Variety and Quality Under Monopoly- Empirical Application: Price Discrimination, Product Variety, and Monopoly versus Competition-Commodity Bundling and Tie-in Sales-

- *Price Discrimination and Social Welfare*, Hal R. Varian, *The American Economic Review*, Vol. 75, No. 4 (Sep., 1985), pp. 870-875
- Oi, Walter Y. 1971. *Disneyland Dilemma: Two-Part Tariffs for a Mickey Mouse Monopoly.* *Quarterly Journal of Economics* 85(1):77–96.
- Kremer, Michael. 2002. *Pharmaceuticals and the Developing World.* *Journal of Economic Perspectives* 16(4):67–90.
- Dixit, Avinash K., and Joseph E. Stiglitz. 1977. “*Monopolistic Competition and Optimum Product Diversity.*” *American Economic Review*, 67(3): 297–308.

Oligopoly and Strategic Interaction-. Price Competition.- Dynamic Games and First and Second Movers- Anticompetitive Strategies: Limit Pricing and Entry Deterrence - Price Fixing and



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Repeated Games- Collusion: Detection and Public Policy- Contractual Relations between Firms- Horizontal Mergers-. Vertical and Conglomerate Mergers.- Vertical Price Restraints- Nonprice Vertical Restraints- Non price Competition- Advertising, Market Power, and Information.

- *Economics of Oligopoly: Medical Malpractice Insurance as a Classic Illustration: Blaine F. Nye and Alfred E. Hofflander, The Journal of Risk and Insurance, Vol. 54, No. 3 (Sep., 1987), pp. 502-519*
- *The Effects of Third-Degree Price Discrimination in Oligopoly, Thomas J. Holmes, The American Economic Review, Vol. 79, No. 1 (Mar., 1989), pp. 244-250*
- *A Theory of Conglomerate Mergers, Dennis C. Mueller, the Quarterly Journal of Economics Vol. 83, No. 4 (Nov., 1969), pp. 643-659*
- *Vertical Separation and Horizontal Mergers, Steffen Ziss, The Journal of Industrial Economics, Vol. 43, No. 1 (Mar., 1995), pp. 63-75*

#### **Module 5: (23 – 26)**

##### **Alternative Theories of the Firm**

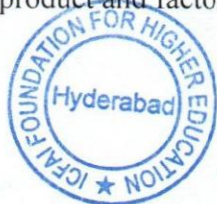
Critical evaluation of marginal analysis; Baumol's sales revenue maximization model; Williamson's model of managerial discretion; Marris model of managerial enterprise; Full cost pricing rule; Bain's limit pricing theory and its recent developments including Sylos-Labini's model; Behavioral model of the firm; Game theoretic models.

- *On the Theory of Expansion of the Firm, William J. Baumol, The American Economic Review, Vol. 52, No. 5 (Dec., 1962), pp. 1078-1087*
- *Managerial Discretion and Business Behavior, Oliver E. Williamson, The American Economic Review, Vol. 53, No. 5 (Dec., 1963), pp. 1032-1057*
- *Journal of the History of Economic Thought, Journal of the History of Economic Thought/Volume 37/Issue03/September 2015, pp431-448*
- *Theories of the Firm: Marginalist, Behavioral, Managerial, Fritz Machlup, The American Economic Review, Vol. 57, No. 1 (Mar., 1967), pp. 1-33*
- *A Behavioral Model of Rational Choice, Herbert A. Simon, The Quarterly Journal of Economics, Vol. 69, No. 1 (Feb., 1955), pp. 99-118*

#### **Module 6: (Session 27 – 29)**

##### **Theory of Factor Prices**

Neo-classical approach — Marginal productivity theory; Product exhaustion theorem; Elasticity of technical substitution, technical progress and factor shares; Theory of distribution in imperfect product and factor markets; Determination of rent, wages, interest and profit;



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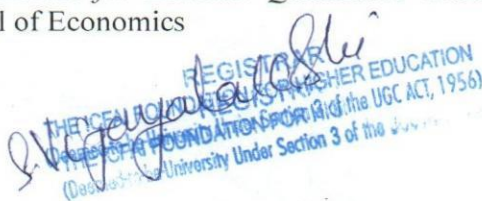
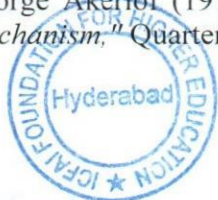
- *Economic Growth, Technical Change Biases, and the Elasticity of Substitution: A Test of the De La Grandville Hypothesis*, Ky-hyang Yuhn, *The Review of Economics and Statistics*, Vol. 73, No. 2 (May, 1991), pp. 340-346
- *The Estimation of Biased Technical Progress and the Production Function*, Ryuzo Sato, *International Economic Review*, Vol. 11, No. 2 (Jun., 1970), pp. 179-208.
- *Surveys in Applied Economics: Technical Progress*, Charles Kennedy and A. P. Thirlwall, *The Economic Journal*, Vol. 82, No. 325 (Mar., 1972), pp. 11-72
- *Alternative Theories of Distribution*, Nicholas Kaldor, *The Review of Economic Studies*, Vol. 23, No. 2 (1955 - 1956), pp. 83-100

### **Module 7: (Session 30 – 33)**

#### **General Equilibrium with Uncertainty**

Individual behavior towards risk, expected utility and certainty equivalence approaches, risk and risk aversion -Risk and efficiency -Risk sharing in competitive markets-Risk sharing in monopolistic markets-Applications: Insurance markets and principal-agent models- Adverse Selection -The problem of adverse selection -Ex-ante, interim, ex-post efficiency-Applications: Insurance markets, Labor markets, unobservable quality, credit markets- Remedies to Adverse Selection- Signaling. Menu contracts. Warranties. Public intervention-Applications: Insurance markets, Labor markets, two part tariffs- Moral Hazard -The problem of Moral Hazard. Ex ante, interim, ex-post efficiency-Applications: Insurance markets, Labor markets, unobservable quality, credit markets- Remedies to Moral Hazard - Selling the store, risk sharing, public intervention- Applications: Insurance markets, cooperatives, public goods.

- Ross, Stephen A. 1973. "The Economic Theory of Agency: The Principal's Problem." *American Economic Review*, 63(2): 134-39.
- *Behavior Towards Risk with Many Commodities*, Joseph E. Stiglitz, *Econometrica*, Vol. 37, No. 4 (Oct., 1969), pp. 660-667
- *Risk Aversion in the Small and in the Large*, John W. Pratt, *Econometrica*, Vol. 32, No. 1/2 (Jan. - Apr., 1964), pp. 122-136
- Mark V. Pauly (1968) "The Economics of Moral Hazard: Comment," *American Economic Review*.
- Michael Spence (1973), "Job Market Signaling" *Quarterly Journal of Economics*
- Mark J. Machina (1987) "Choice Under Uncertainty: Problems Solved and Unsolved," *Journal of Economic Perspectives*.
- George Akerlof (1970) "The Market for Lemons: Qualitative Uncertainty and the Market Mechanism," *Quarterly Journal of Economics*



## Books

1. Kreps, David M. (1990), A Course in Microeconomic Theory, Princeton University Press, Princeton.
2. Koutsoyiannis, A. (1979), Modern Microeconomics, (2nd Edition), Macmillan Press, London.
3. Sen, A. (1999), Microeconomics: Theory and Applications, Oxford University Press, New Delhi.
4. Stigler, G. (1996), Theory of Price, (4th Edition), Prentice Hall of India, New Delhi.
5. Varian, H. (2000), Microeconomic Analysis, W.W. Norton, New York.
6. Industrial Organization: Contemporary Theory and Empirical Applications, 4th Edition Lynne Pepall, Dan Richards, George Norman January 2008, ©2008, Wiley-Blackwell, USA

## Course Evaluation:

The course evaluation is divided into the following three components

- |   |   |          |
|---|---|----------|
| 1. Class Participation and Presentation | : | 30 Marks |
| 2. Term Paper Submission                | : | 30 Marks |
| 3. End Term Exam                        | : | 40 Marks |

## SHEC704: Theory of Finance

### Course Objective:

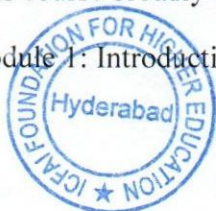
To understand the and comprehend the concepts related to theory of finance

### Scholarly Outcome:

It is expected that at the end of the semester the scholar would submit research proposal, which can be extended as a PhD thesis proposal in the area.

This course broadly covers modules on

Module 1: Introduction to financial markets



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Module 2: The overview of financial theory

Module 3: Financial decisions and theory of choice under certainty

Module 4: Theory of finance under uncertainty

Module 5: Mean-Variance portfolio theory

Module 6: CAPM & APT etc.

**Books:**

1. John.D.Martin, Smuel H.Cox, Jr and Richard D.Macminn, The Theory of Finance: Evidence and Applications.

Dryden Press, Latest edition

2. Copeland T E and J F Weston , Financial Theory and Corporate Policy, Addison Wesley, latest edition

3.Houthaker , H S and P J Williamson, Economics of Financial Markets, OUP, latest edition

**Course Evaluation:**

The course evaluation is divided into the following three components

- |   |   |          |
|---|---|----------|
| 1. Class Participation and Presentation | : | 30 Marks |
| 2. Term Paper Submission                | : | 30 Marks |
| 3. End Term Exam                        | : | 40 Marks |

**SHEC705: TOPICS IN PUBLIC POLICY**

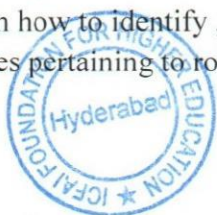
**Course description and objectives**

This seminar course provides a broad treatment of public policy issues that affect the society. It discusses the role of government in the economy through taxation, expenditure and regulation etc

**Pedagogical Outcome:**

The learning goals for this course are:

- Learn classic theories of welfare economics and its contemporary relevance to the economy
- Learn how to identify , frame, analyze , application and publication of research questions /issues pertaining to role of government, regulation ,taxation and societal concern.



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### Scholarly Outcome:

It is expected that at the end of the semester the scholar would submit research proposal, which can be extended as a PhD thesis proposal in the area of Public Policy.

### Course Evaluation:

The course evaluation is divided into three components:

1. In class evaluation - 30% Weightage
2. Term paper evaluation - 30% Weightage
3. End term evaluation - 40% Weightage

### In class evaluation:

In class evaluation is determined both by the quality of presentation made and quality of contributions made through class participation. The papers dealt in the course will only pilot the discussions relating to the topics. For each topic dealt, both the presenter and the members are strongly encouraged to pursue both the forward references and the backward references pertaining to the topic and discuss about them during the course of discussions. Bringing out newer and alternate points of view during the course of discussions will be strongly encouraged and such contributors will be academically rewarded.

### Term paper evaluation:

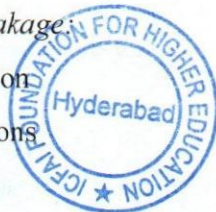
The manuscript draft that is due for submission should be a research proposal in the area of Public Policy. You are requested to select a topic in area of your interest in Public policy and develop a research proposal, which can be extended as Ph.D proposal in the area of Public Policy. Final marks will be strictly based on comprehensiveness of paper, robustness of the proposed methodology – or quality of arguments made and writing skills. You are strongly encouraged to discuss your research progress during the course proceedings with the instructor and make three presentations during the semester.

### End term evaluation:

You will face an examination for 100 marks for 3 hours at the end of the course. These marks will converted to 40 marks

### Component breakage

Class participation	-	15 marks
Class presentations	-	15 marks



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Term paper presentations	-	10 marks
Term paper report	-	20 marks
End term examination	-	40 marks
<b>TOTAL</b>	-	<b>100 marks</b>

#### Reference books

3. J.E Stiglitz(2000), Economics of the Public Sector, 3rd edition, Norton,
4. Musgrave, R.A and P.B Musgrave .” Public Finance in theory and practice: 5<sup>th</sup> Edition, McGraw Hill, 1989
5. David N. Hyman (2015), *Public Finance : A Contemporary Application of Theory to Policy* , Cengage Learning India Private Limited, New Delhi, 11<sup>th</sup> Indian Edition

### COURSE PLAN

Session 1, 2,3,4,5

#### Fundamental theorems of welfare economics

- Francis M. Bator, “ The simple Analytics of welfare maximization, American Economic Review 47 (March 1957): 22-59
  - Nicholas Kaldor’s ,” Welfare Propositions of Economics and Interpersonal Comparisons of Utility” Economic Journal 49 (September 1939):549-552 (Recently cited in Journal of the History of Economic Thought, Volume 33, Issue 3 September 2011, pp. 335-355 “ Capabilities for the miserable; happiness for the satisfied”)
- **Market Failures:** The general theory of externalities, public goods, efficient provision of public goods, private provision of public goods, and asymmetric information; the commons problem, the Coase theorem
- Barthold, Thomas A” Issues in the Design of Environmental Excise Taxes”, Journal of Economic Perspectives 8.1 (winter 1994), 133-151
  - Coase, Ronald “ The problems of Social Cost”, Journal of Law and Economics 3 (October 1960) 1-44
  - Dahlman, Carl J, ‘’ The problem of Externality”, Journal of Law and Economics 22 ( April 1979) : 141-168



*R. Vijayalakshmi*  
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- Poterba, James M. “ Global Warming Policy : A public Finance perspective. Journal of Economic Perspective 7,4 (Fall 1992): 47-63

Sessions 6, 7, 8, 9, 11, 12, 13, 14, 15,16

➤ **Tax and policy incidence analysis**

- Amaresh Bagchi, “India’s Tax Reforms: A Progress Report”, Economic and Political Weekly, Vol.XXIX, No.43, October 22, 1994,
- Andreoni, J., Erard, B., and Feinstein, J., “Tax Compliance”, Journal of Economic Literature, June, Vol. 36, 1998
- Bruce, D., W. Fox and M. Tuttle , “Tax Base Elasticities: A Multi State Analysis of Long Run and Short Run Dynamics”, Southern Economic Journal, 73, No. 2, 2006
- Chelliah, Raja J. and S.K. Chand, “A Note on Techniques of Adjusting Tax Revenue Series for Discretionary Changes” (unpublished, International Monetary Fund, August 14, 1974
- M.Upender ,” Degree of tax buoyancy in india : An empirical study” International Journal of Applied Econometrics and Quantitative Studies Vol. 5 -2 (2008)

Session 10

Presentation of Term paper progress

Sessions 17,18,19,20, 22

- **The income distribution and welfare programs:** Social security, health care, insurance problems: Moral hazard and adverse selection etc

Session 21:

Presentation of term paper progress

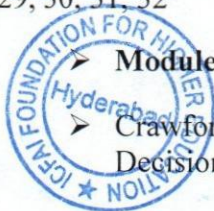
Sessions 23,24,25, 26, 27

**Regulations and Policy:** Sector specific public policies such as banking, insurance, health, environment, corruption etc.

Sessions 28, 29, 30, 31, 32

**Module 6: Principles of Optimal policy design**

➤ Crawford, V. and Lilien, D. (1981) “Social Security and the Retirement Decision” Quarterly Journal of Economics 3 505-534



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- Peter Diamond (1977): "A Framework for Social Security Analysis".  
Journal of Public Economics, Vol. 8, No. 3, December 1977: 275-298.
- Andrew Abel: "The Effects of Investing Social Security Funds in the  
Stock Market When Fixed Costs Prevent Some Households from Holding  
Stocks," American Economic Review, 91, 1 (March 2001), 128-148.
- John Geanakoplos, Olivia Mitchell and Stephen Zeldes: "Would a  
Privatized Social Security System Really Pay a Higher Rate of Return?",  
Framing the Social Security Debate.
- Values, Economics, and Politics, R.D. Arnold, M. Graetz and A. Munnell,  
eds., National Academy of Social Insurance, 1998, pp. 137-157

Session 33  
Presentation of term paper

### SHEC706: Topics in International Economics

#### MODULE-1: INTERNATIONAL TRADE

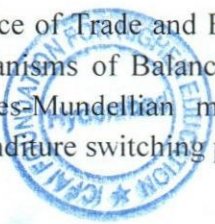
Trade as an engine of Growth, Prebisch-Singer Thesis-Growing intra-regional trade-Import substitution versus export orientation-changing world-strategic alliance-Terms of Trade-Mill's doctrine- Trade in services, features and restrictions-role of India-trade and non-tariff barriers and their implications.

#### MODULE-2: THE PURE THEORY OF INTERNATIONAL TRADE:

Theory of Absolute Advantage-Theory of comparative Advantage-Factor Endowment (Heckscher-Ohlin Theory)- Leontief Paradox-The New trade theory-Theorem of factor price equalization- Stolper Samuelson theorem-International product Life-cycle theory-Kravis and Linder theory of trade

#### MODULE-3: BALANCE OF PAYMENTS

Balance of Trade and Balance of payments-Disequilibrium in Balance of Payments-Adjustment mechanisms of Balance of Payments- Monetary and fiscal mix-Internal and external balance policies-Mundellian model of monetary-fiscal policies for internal and external balance- Expenditure switching policies-Foreign trade multiplier.



  
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#### **MODULE-4: FOREIGN EXCHANGE RATE POLICY:**

Determination of Equilibrium Exchange Rate-Theories of Foreign exchange rate (Mint parity,PPP and Balance of payment theory)-Fixed exchange rate-Flexible exchange rate-Hybrid or intermediate exchange rate-Multiple exchange rate systems-Devaluation-The structure of foreign exchange market

#### **MODULE-5: INTERNATIONAL ECONOMIC RELATIONS:**

Commercial policy and inward looking and outward-looking policies-Role of foreign Aid in economic development-private foreign investment-Multinational corporations and LDC's-IMF-IBRD-IDA-IFC-MIGA-International liquidity-International debt problem-International Monetary system-The Euro-Dollar market- Impact of foreign capital on India's economic development

#### **MODULE-6: WTO and International Economic Integrations:**

WTO agreements: An Overview-Theory of customs union, static and dynamic effects of a customs union-South-South cooperation- Theoretical framework of PTAs-Growth of Regional Trading Agreements-India's participation in PTA's-Limitations of Regional Economic Integrations.

#### **Books**

1. Dominick Salvatore-International Economics, Seventh Edition,John Wiley and Sons
2. Joseph E Stiglitz and Andrew Charlton, Fair Trade for All: How trade can promote Development, Oxford University press, 2005.
3. Soderston,B,International economics,The Macmillan Press Limited,London.
4. Jagdish Bhagwati and Arvind Panagariya and TN Srinivasan, Lectures on International Trade 2 nd edition,Oxford University press,2003.

#### **Course Evaluation:**

The course evaluation is divided into three components:

1. In class evaluation - 30% Weightage
2. Term paper evaluation - 30% Weightage
3. End term evaluation - 40% Weightage



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