B. A. Economics

Paper – III Indian Economy

Module I Economic Development

Meaning of Economic Growth & Development, measures of Economic Development - GNP, PCI, PQLI and HDI, Factors influencing economic development – Balanced and unbalanced growth. Choice of Techniques, Concept of Sustainable Development and Inclusive Growth.

Module II : Structure of the Indian Economy.

Basic features; Natural resources–Land ,water and forest resources ; Basic Demographic features – Growth of population – Rural and Urban population Occupational distribution population – distribution; National Income in India – Trends and composition; Poverty, and unemployment ; Current Five year plan – Objectives and Allocation of Resources ; L P G Policies in India.

Module III: Indian Agriculture

Nature and Importance: Trends in Agricultural area, Production and Productivity; Factors determining Productivity; Irrigation; New agricultural strategy; Agricultural marketing and prices; Rural Credit – Micro Finance and SHGS. The problem of food security.

Module IV: Industry and services

Structure, Growth and employment of Industry ; Industrial policies of 1956 and 1991, Growth and problems of small scale Industries, Foreign Capital and Aid , FEMA, Disinvestment policy in India – FDI ; Growing importance of service sector in India – education and health.

Module V: Andhra Pradesh State Economy

Gross State Domestic Product (GSDP) – Trends and Composition ; Demographic features ; Agriculture – Land Utilization, cropping pattern and irrigation ; Industry – Growth structure and employment of Industry ; Poverty and Unemployment in Andhra Pradesh; Service sector in Andhra Pradesh.

References :

(1) Dhingra, I.C. – Indian Economy, Sultan Chand, New Delhi (2009)

(2) Ruddar Dutt and K.P.M. Sundaram – “Indian Economy”, S.Chand & Co., 2008

(3) G.M. Meier – “Leading Issues in Economic Development “, Oxford University Press, New York, 3/e.

(4) M.P.Todaro – “Economic Development “, Longman, London 6/e, 1996.

(5) Reserve Bank of India – Handbook of Staistics on Indian Economy (Latest)

(6) S.K. Mishra and V.K.Puri - Indian Economy, Himalaya Publishing House, Mumbai

(2009).

(7) R.S. Rao, V. Hanumanth Rao & N.Venu Gopal (Ed.) – Fifity Years of Andhra

Pradesh (1956- 2006), Centre for Documentation, Research and Communications

Hyderabad, 2007.

(8) Telugu Academy Publications.

(9) United Nations, “World Development Report”, Oxford, 1990-2008, Different

editions

1. AUSDE – Study Material.

**Model Question Paper**

**B.A. III Year**

**Paper III - Indian Economy**

Time: 3 hours Max. Marks: 80

**PART –A 5x2=10**

Note: I. Answer all the following in one or two sentences each.

1. Sustainable Development
2. Objectives of Eleventh Five Year Plan
3. Crop Insurance
4. F E M A
5. Definition of service sector

**PART – B** **5 x4=20**

II. Answer the following not exceeding one page each.

6 (a) P Q L I

or

1. Explain Labour or Capital Intensive Methods.

7. (a) Explain Unemployment and its causes.

or

1. Comment on Growth of Population in India.

8. (a) Examine Micro Finance

or

1. Examine the issue of Food Security.

9. (a) Explain problems of small scale industries in India.

or

1. Explain Dis investment policy in India.

10. (a) Explain Demographical features of A.P.

or

(b) Write about Service Sectors in Andhra Pradesh.

**PART – C 5 x 10=50**

**III. Answer the following not exceeding 3 pages each.**

1. (a) Distinguish between economic growth and development. Explain how it is measured.

or

(b) Explain Balanced Growth.

2. (a) State the basic features of Indian Economy.

or

1. Review the trends and composition of India’s national income.

3. (a) Critically review the new agricultural strategy adopted in India.

or

1. Examine the new Agricultural price policy in India.

4. (a) State the Industrial Policy of 1991.

or

(b) Briefly explain the growing importance of service sector in India.

5. (a) Explain trends and composition of G S D P of Andhra Pradesh.

or

(b) Explain the recent trends in growth of industry of Andhra Pradesh.

B.A.ECONOMICS

III B.A PAPER – IV (a) – PUBLIC FINANCE AND INTERNATIONAL

ECONOMICS

(OPTIONAL)

Module 1 : PUBLIC FINANCE AND TAXATION

Meaning and scope of public finance, Distinction between public and private finance. Principle of Maximum Social Advantage – Public goods vs Private goods – Sources of public Revenue – [(a) Taxes (b) Administrative revenues (c) Commercial revenues (d) Gifts and grants (e) Deficit Finance] Concept of fiscal deficit – Canons of taxation (Adam Smith & Modern) – Impact, Shifting and Incidence of Taxation , Effects of taxation – The concept of Value Added Tax (VAT).

Module 2: PUBLIC EXPENDITURE AND PUBLIC DEBT.

Meaning and Classification of Public expenditure, Principles of Public expenditure – Reasons for the growth of Public expenditure – Wagner’s law – Public Debt – Classification of Public debt – Methods of debt redemption – Causes and effects of Public Debt.

Module 3: THEORIES OF INTERNATIONAL TRADE

Inter – regional and International Trade – Importance of International Trade. Theories of International Trade - (a) Theory of absolute advantage (b) Theory of Comparative costs and (c) Hecksher – Ohlin theory ; Trade as an engine of Economic Growth, Terms of Trade - Gross Net Barter Terms of Trade, Net Barter terms of trade, ITT.

Module 4 : TARIFFS AND QUOTAS - BALANCE OF PAYMENTS

Tariffs and quotas, Concept of optimum Tariff: Balance of Trade, Balance of Payments, India’s Balance of Payments before and after 1991; Disequillibrium in BOP - Causes and adjustment ; Trends and composition of India’s Public revenue, expenditure and debt .

Module 5 : PUBLIC FINANCE FOREIGN TRADE IN INDIA

Trends in the composition and direction of India’s foreign trade – Exim policy, IMF, IBRD – Impact of WTO on India.

References :

(1) B.P. Tyagi – ‘Public Finance’ – Jai Prakash Nath - 2004.

(2) H.D. Bhatia – Public Finance - Vikas Publishing House – 2006.

(3) B.O. Sodersten – ‘International Economics’ – Macmillan -1995.

(4) C.P. Kindleberger – ‘International Economics’

(5) J. Bhagawathi – International Trade – Selected Readings – Cambridge University

Press.

(6) D.M. Mithani & G.K. Murthy – Fundamentals of Business Economics – Himalaya –

2007.

(7) Telugu Academy Publications.

(8) AUSDE - Study Material.

**MODEL QUESTION PAPER**

**B.A. ECONOMICS**

**III B.A.PAPER –IV (a) –PUBLIC AND INTERNATIONAL**

**ECONOMICS**

**Time: 3hours Max. Marks: 100**

**PART – A**

**I. Answer the following in one or two sentences 5x2 =10**

1. VAT

2. Peacock – Wiseman Hypothesis

3. Income Terms of Trade

4. Balance of Trade.

5. Concept of Outsourcing.

**PART – B**

**II. Answer the following not exceeding 2 pages each. 5x6=30**

6. (a) Write about Public Goods

or

(b) Explain Canons of Taxation

7. (a) Write a note on Wagner’s Law?

or

(b) Explain Principles of Public Expenditure

8. (a) Write about Inter – Industry and Intra – Industry Trade

or

(b) Explain Trade and Economic Growth

9. (a) Discuss Tariffs

or

(b) What do you under stand by Depreciation

10.(a) Examine Composition and Direction of India’s Foreign Trade

or

(b) Write a note on IBRD

**PART – C**

**III. Answer the following not exceeding 3 pages each. 5x12=60**

1. (a) Distinguish between Public Finance and Private Finance. What are different sources

of Public Revenue?

or

(b) Explain classification of Public Expenditure.

2. (a) Explain the Principle of Maximum Social Advantage

or

(b) State the reasons for the growth of public expenditure in recent years.

3. (a) Explain Hecksher – Ohlin Theory of international trade

or

(b) Explain about causes and adjustment in disequilibrium in BOP.

4. (a) Explain the concept of Optimum Trade.

or

(b) Explain the EXIM policy of India.

5. (a) What are the methods of debt redemption

or

(b) Write the impact of WTO in India.

**B.A. Economics**

**III B.A. Paper –IV (b) Quantitative Techniques (Optional)**

**Module I**: **Functions:**

Function –Concept and type of Functions – Graphical Solution – Differentiation of a function – Maxima & Minima, Elasticities; Interpretation of revenue and cost functions:

**Module II**: **Matrices**

Matrices- Types of Matrices: simple operation on matrices - Addition, Subtraction, Multiplication and Equality of Matrices; Determinants – Rank of a matrix, Inverse of a matrix (2x2 only)

**Module III: Central Tendency and Dispersion**

Techniques of data collection: Sampling and Census methods; Measures of Central Tendency - Mean, Median, Mode; Measures of dispersion - Range, Quartile Deviation, Mean Deviation, Standard Deviation, Coefficient of Variation, Lorenz Curve.

**Module IV**: **Correlation and Regression**

Meaning - Correlation and Regression; The distinction between correlation

coefficient and Regression, – Karl Pearson’s correlation coefficient and Spearman’s, Rank correlation, Regression analysis – Estimation of Regression line. Uses and limitations of correlation and regression analysis in economics.

**Module V**: **Time Series and Index Numbers**

Time series analysis – Concept and components; Determination of trends, by moving average method; Index numbers- concept and uses; methods of estimation - Laspeyer’s , Paasche’s and Fischer’s index numbers, problems in the construction of index numbers and limitations of index numbers.

**References:**

1. K. Sydsater & P.J. Hammond – “Mathematics for Economic Analysis”, Pearson’s Education, Delhi, 2002.
2. A.C. Chiang- “Fundamentals Methods of Mathematical Economics”, Mc Graw Hill, 1984.
3. Yamane Taro – “Mathematics for Economists”, Prentice Hall of India, New Delhi, 1988, 2nd edition.
4. A. Mizrahi and M. Sallivan – “Mathematics for Business and Social Sciences – Applied Approach’, John Wiley,1985.
5. S.P. Gupta and V.K. Kapoor – “Fundamentals of Mathematical Statistics”, S.Chand &Co., 2005.
6. Stephen Bernstein & Ruth Bernstein – “Theory and Problems of Elements of Statistics”, Schaum’s Outline Series, Tata Mc Graw Hill,2005.
7. E. Dowling –“An Introduction to Mathematical Economics, Schaums Outline Series, 2007.

**MODEL QUESTION PAPER**

**B.A. ECONOMICS**

**III B.A.PAPER –IV (b) - QUANTITATIVE TICHNIQUES**

**Time: 3 hours Max. Marks: 100**

**PART – A**

**Note: Answer the following in one or two sentences 5x2 = 10**

1. Function

2. Transpose of a Matrix

3. Median

4. Positive Correlation.

5. Laspeyer’s Index Number

**PART – B**

**II. Answer the following not exceeding 2 pages each. 5x6=30**

6. (a) Find the critical values of the function. Z= 6X2 + 4Y2- 2XY SUBJECTED TO

X + Y = 60.

or

(b) Explain the concept of maxima and minima.

7. (a) If A = 2 6 B = 3 6 Find A x B using matrix method.

4 8 7 9

or

(b) Explain the Properties of Determinants

8. (a) Compute Arithmetic Mean for the following data

Marks 0 - 10 10 - 20 20 - 30 30 - 40 40 - 50 50 - 60

No. of Students 5 10 25 30 20 10

or

(b) Explain the Sample and Census Methods

9. (a) Explain the concept of correlation and its importance.

or

(b) Discuss uses and limitations of regression analysis in Economic

10. (a) Explain the concept and components of Time series data.

or

(b) Explain the problems in construction of Index numbers.

**PART – C**

**I. Answer the following not exceeding 3 pages each. 5x12=60**

1.(a) Find extreme values Z= 72X-3X2-6XY-2Y2+48Y. Determine whether the function

is minimum or maximum.

or

(b) Write about price and income Elasticities.

2. (a) Explain various types of Matrices.

or

(b) Explain the addition and subtraction theories of Matrices

3. (a) Explain different methods of data collection

or

(b) Calculate standard deviation for the following data.

Marks 0-10 10-20 20-30 30-40 40-50

No. of Students 8 12 20 6 4

4. (a) Explain the concept of Rank correlation and its usefulness.

or

(b) Calculate Karl Pearson Correlation coefficient for the following data.

X 5 10 14 20 22 28

Y 10 22 19 45 32 40

5. (a) Calculate Fisher’s index for the following data.

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Commodity | | 2000 | | 2007 | |
|  | Price  (Rs.) | Quantity  (Units) | Price  (Rs.) | | Quantity  (Units) |
| A | 12 | 100 | 20 | | 120 |
| B | 4 | 200 | 4 | | 240 |
| C | 8 | 120 | 12 | | 150 |
| D | 20 | 60 | 24 | | 15 |

or

(b) How do you compute trend component by moving average method in data?