

DEPARTMENT OF ECONOMICS

Revised CBCS Courses

(Passed by the Academic Council on 19.7.2016, subject to confirmation)

Generic Elective (GE) Course Structure in Economics

Semester I	Semester II
GE I(a): Introductory Microeconomics OR GE I(b): Economic History of India	GE II(a): Introductory Macroeconomics OR GE II(b): <i>India and the Indian Ocean Economy</i>
Semester III	Semester IV
GE III: (a) Indian Economy-I <i>OR</i> (b) Money and Banking <i>OR</i> (c) Environmental Economics	GE IV: (a) Indian Economy-II <i>OR</i> (b) <i>Global Political Economy OR</i> (c) Public Finance
Semester V	Semester VI

Note: Courses in italics are new courses.

Skill Enhancement Courses (SEC) to be offered by Department of Economics

For Hons. Students

Semester III	Semester IV
SEC I : Financial Economics OR SEC III : <i>Research Methodology</i>	SEC II: Data Analysis OR SEC IV: <i>Contemporary Economic Issues</i>

For Programme Students, *Understanding the Economic Survey & Union Budget* would be offered in Semester III and a simpler version of *Research Methodology* in Semester IV. Course outlines and readings are given below.

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Generic Elective Course II (b) for CBCS (B.A. Hons)

India and Indian Ocean Economy, c. 1500-1800

The Indian Ocean, with its warm waters and its sailor friendly monsoon system, was the first ocean that humans could move across, covering vast distances at relative ease. Consequently, it was also the first ocean across which goods, people and ideas were exchanged on a massive scale over long distances, much before the same happened in other parts of the world.

Circa 1500, given its scale and depth, the Indian Ocean economy was synonymous with the world economy. India, both geographically and economically, was at the centre of this world economy. The entry of Europeans in the Indian Ocean during the early modern period (1500AD-1800AD) impacted India and the Indian Ocean in many ways. Did this signify a break from the past or did Indian Ocean and India continue their sway over the world even after, as some call it, 'Vasco da Gama epoch' began? This paper, adopting an interdisciplinary approach, seeks to explore economic, political and social changes of the early modern period, and their significance for our times and the times to come.

Unit 1: Introduction

Indian Ocean circa 1500. The Indian Ocean world - commodities, trade routes and networks. India and its position in the Indian Ocean Trade network.

Unit 2: Commodities and Networks: Europeans in the Indian Ocean Trade, 1500-1800

The advent and the impact of Portuguese 'State of India', The Dutch, English and French East India Companies on the Indian Ocean trade. Other Minor European Companies. Companies and Private Traders. The Asian and African reaction to the coming of the Europeans. Conflict and cooperation: The changing pattern of trade and politics in the Indian Ocean. Development of the Euro-Asian Trade and its impact on the Indian Ocean economy.

Unit 3: Merchants, State, Finance and Trade

Indian and other merchant groups in the Indian Ocean trade. Trade and Financial networks across the Indian Ocean. Relationship between Merchants and States. Asian States (maritime and land based) and European States in Asia. The Trade Networks: Country trade, Intra Indian Ocean trade and Trans-Oceanic trade. Trade, 'Smuggling' and 'Piracy'.

Unit 4: Conclusion

Indian Ocean in the early modern period (1500-1800) – an assessment.

Indicative Reading List

1. Om Prakash, 1998, **European Commercial Enterprise in Pre-Colonial India**, CUP, Cambridge, Ch. 1, 2, 3.
2. P. Parthasarathy, 2011, **Why Europe Grew Rich and Asia did not: Global Economic Divergence, 1600-1850**, Cambridge, Ch. 2.
3. Michael Pearson (ed.), 2015, **Trade Circulation and Flow in the Indian Ocean World**, Palgrave Macmillan, London. Ch 1.
4. Om Prakash (ed.), 2012, **The Trading World of the Indian Ocean, 1500-1800**, Pearson, Delhi, Ch. 1,14, 16, 17.
5. Sanjay Subrahmanyam, 1993, **The Portuguese Empire in Asia 1500-1700: A Political and Economic History**, Longman, New York. Ch. 3.
6. Ashin Das Gupta, 1985, *The Indian merchants and the Western Indian Ocean: The Early Seventeenth Century*, **Modern Asian Studies**, 19, pp. 481-499.
7. R J Barendse, 1998, **The Arabian Seas 1640-1700**, Leiden, Ch. 1,2,5.
8. Ernest van Veen and Leonard Blusse (ed.), 2005, **Rivalry and Conflict: European Traders and Asian Trading Networks in the 16th and the 17th Centuries**, CNWS, Leiden, Ch2, 13.
9. Lakshmi Subramanian, 2012, **Three Merchants of Bombay**, Penguin, Delhi. Ch. 1.
10. Michael Pearson, 2003, **The Indian Ocean**, Routledge, London, Ch. 5,6,7.
11. A. R. Disney, 2009, *A History of Portugal and the Portuguese Empire*, vol.2, CUP, New York, Ch. 19, 20.
12. Tirthankar Roy, 2012, **The East India Company**, Penguin, Delhi, Ch. 1, 2.
13. Pamela Nightingale, 1970, **Trade and Empire in Western India, 1784-1806**, CUP, Cambridge, Ch. 1.
14. R. Mukherjee and L. Subramanian (ed.), 1998, **Trade and Politics in the Indian Ocean World**, OUP, Delhi, Ch. 3, 4, 6, 9.
15. Edward A Alpers, 2014, **The Indian Ocean in the World History**, OUP, New York, Ch. 4.
16. Ashin Das Gupta and M. N. Pearson (ed.), 1987, **India and the Indian Ocean 1500-1800**, OUP, Delhi, Ch. 6, 9, 12.
17. Kenneth McPherson, 1993, **The Indian Ocean: A History of People and the Sea**, OUP, Delhi, 1993, Introduction.
18. Kenneth Pomeranz, 2000, **The Great Divergence: China, Europe and the Making of the Modern World Economy**, PUP, Princeton & Oxford, Ch. 4.

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Generic Elective Course IV (b) for CBCS (B.A. Hons)

Global Political Economy

This course introduces students to the contemporary structures, trends and developments in the Global Economy through a Political Economy lens. It explores the period since the end of Second World War up to recent global economic crisis – from the ‘Golden age of capitalism’ to the ‘neoliberal’ shift. It particularly explores changes in the organization of production and corporate structure along with changes in labour processes and labour regimes and also the increasing dominance of finance in the contemporary world. It also examines the shifts in the nature, scope and ideology of the state under globalization. The course does not need any prior technical knowledge of economics and will focus on a synoptic and comprehensive understanding of the issues involved. Theoretical concepts and technical terms that are present in the readings will be summarily explained in the classroom lectures, so as not to impede the understanding of the general subject matter. Students will thus be examined on their comprehensive understanding rather than on specialized and technical issues.

Course Outline

- 1. Introduction and Overview:** (a) The Global Economy since 1945 – from the Golden Age to Neoliberalism. (b) Globalization – overview and features
- 2. Institutions of the Global Economy:** The International Monetary and Financial Regime; The International Trade Regime.
- 3. Changing Dynamics of Capitalist Production, Organisational Forms and Labour Processes:** Fordist and Post-Fordist production regimes; Multinational Corporations – Evolution and Strategic Changes; Global Value Chains; The changing nature of employment, job security and labour rights.
- 4. The Role of Finance in the Globalized Economy**
Finance and globalisation – financialisation and financial liberalization – Trends, instruments, features and consequences.
- 5. The State in the Era of Globalisation:** Globalisation and the limits of the welfare and developmental states – the Neoliberal State.
- 6. Global Economic Instability and Crisis:** The 2008 global economic crisis – prelude, immediate and long term structures and causes.

Readings:

1. Varoufakis, Yanis: *The Global Minotaur*, Zed Book, London, 2011. **Chapters 3, 4** [for Topic 1] [Interested readers can read Ch 5 for details on Topic 4. No questions will be asked from this chapter]
2. Nayyar, Deepak: “Globalisation and Development” in Ha-Joon Chang (ed): *Rethinking Development Economics*[for Topic 1]
3. Rodrik, Dani: *The Globalization Paradox: Why Global Markets, States and Democracy Can’t Coexist*, Oxford University Press, 2011, Chapter 4 [for Topic 2]
4. Winham, G.R: “The Evolution of the Global Trade Regime” in Ravenhill, John (ed) *Global Political Economy*: OUP, 2011, **Chapter 5**[for Topic 2]
5. Tonkiss,F: *Contemporary Economic Sociology: Globalisation, Production, Inequality*, Routledge, 2006 (India reprint 2008) –Chapter 4 (Fordism and After). [for Topic 3]
6. Hymer, Stephen: "The Multinational Corporation and the Law of Uneven Development", in H. Radice (ed.) *International Firms and Modern Imperialism*, Penguin Books, 1975.[for Topic 3]
7. Evans, Peter: “Transnational Corporations and the Third World States: From Old Internationalization to the New” in Kozul Wright R & Rowthorn R (ed) *Transnational Corporations and the Global Economy*, Palgrave Macmillan UK, 1998. **[Excluding Section 6.3]** [for Topic 3]
8. Thun E: “The Globalization of Production” in Ravenhill, John (ed) *Global Political Economy*, OUP, 2011. **Chapter 11**[for Topic 3]
9. Reddy, Narasimha: “Economic Globalisation, Past and Present – The Challenges to Labour” in Jomo K.S. &Khoo KhayJin (ed) *Globalization and Its Discontents, Revisited*, Sepsis -Tulika Books, 2003. [for Topic 3]
10. Harvey, David: *A Brief History of Neoliberalism*, OUP, 2005. **Introduction** (particularly pg 2-4 where the term neoliberalism is introduced and explained) and **Chapters 3** (The Neoliberal State) [for Topic 4]
11. Bhaduri, A: “Nationalism and Economic Policy in the Era of Globalization”, in Nayyar, Deepak (ed.) *Governing Globalisation: Issues and Institutions*, Oxford University Press, 2002. [for Topic 4]
12. Dumenil, G and D Levy: *The Crisis of Neoliberalism*, Harvard University Press, 2011. **Part IV (Financialization and Globalization) - Chapter 7,8,9** [for Topic 5]

Department of Economics

Skill Enhancement Course for CBCS (Hons)

SEC-IV: Contemporary Economic Issues

The course seeks to familiarize the students with basic concepts related to some contemporary economic issues. Its aim is to equip the students with sufficient knowledge and skills so as to understand media discussions, and to critically analyze contemporary issues that figure in high-profile government documents, in particular the Economic Survey and the Union Budget. Such capability is necessary to understand government policies and also to increase people's participation in economic decision-making. The course will also help to relate the theoretical frameworks of the Microeconomics and Macroeconomics courses to the Indian context, and to prepare students for the more detailed treatment of Indian economic issues in semesters V and VI. The emphasis in the course will be on conceptual understanding, not data.

I. Concepts

- a. Fiscal policy, need for government spending, areas of government spending in India
- b. Capital expenditure, revenue expenditure, plan expenditure, non-plan expenditure.
- c. Deficits (fiscal, primary, revenue), impact of fiscal deficit on economy, need to control fiscal deficits,
- d. Capital receipts, revenue receipts, tax and non-tax revenue, direct and indirect taxes, need to rationalize tax structure. Goods and Services Tax (GST).
- e. Actuals, Revised Estimates, Budget Estimates
- f. Zero-base budgeting
- g. Gender budgeting
- h. Fiscal devolution and centre-state financial relations in India
- i. Index numbers: Laspeyres, Paasche, and Ideal index numbers. WPI, CPI and implicit deflators.

II. Economic Survey

III. The Union Budget

Need for the Budget, Understanding the process of budget making in India, Analysis of budget in terms of various parameters such as:

- a) Deficits –trends in fiscal deficit and revenue deficit
- b) Receipts - proposed sources of revenue and expected growth in revenue;
steps taken to increase revenue such as tax simplification, improvement in tax administration, expansion of tax net;
- c) Expenditure -expenditure pattern and expected growth in expenditure;
The thrust areas of the budget; areas / sectors which have received higher or lower share of expenditure, reasons and consequences thereof; steps proposed to ensure effective spending.

Suggested Readings:

1. *Economic Survey (latest)*, Government of India, Ministry of Finance. Full chapter (excluding boxed items) on 'Economic Outlook, Prospects, and Policy Challenges' and 'Fiscal Framework'. Other selections to be determined each year.
2. 'Understanding the Budget Concepts and Terminologies', Centre for Budget and Governance Accountability
<http://www.cbgaindia.org/files/documents/Understanding%20the%20Budget%20Concepts%20and%20Terminologies.pdf>
3. *The Key to Budget Documents, Budget At A Glance, Macroeconomic Framework Statement, Medium Term Fiscal Policy Statement and Fiscal Policy Strategy Statement*, all available at indiabudget.nic.in.
4. *Economic and Social Classification of the Budget*, available at <http://finmin.nic.in/reports/FunClass201415.pdf>.
5. <http://www.unionbudget.nic.in/ub2016-17/bh/bh1.pdf> (For Budget 2016-17 highlights)
6. Pranab Mukherjee (2012), "Budget Making", in K. Basu and A. Maertens (eds), *The New Oxford Companion to Economics in India*, OUP.
7. Dipak Dasgupta and Supriyo De (2012), "Fiscal Deficit", in Basu and Maertens.
8. Uma Kapila (2016), "Fiscal and Budgetary Developments", in *Indian Economy Since Independence*, Academic Foundation, latest edition.
9. Y V Reddy (2015), "Continuity, Change and The Way Forward: Fourteenth Finance Commission", EPW Vol. 50, Issue No. 21, 23 May, 2015
10. 14th Finance Commission
Report.<http://finmin.nic.in/14fincomm/14thFinanceCommission.htm>
11. Chakraborty, Pinaki (2015) "Intergovernmental Fiscal Transfers in India: Emerging Trends and Realities" in P. Patnaik (ed), *Economics Volume 3: Macroeconomics*, Oxford University Press India.
12. Mukherjee, Sacchidananda (2015). "Present State of Goods and Services Tax (GST) Reform in India," Working Paper No. 2015-154 (September 2015), National Institute of Public Finance and Policy, New Delhi.
13. M.R. Spiegel (2003), *Theory and Problems of Probability and Statistics*, ch.19.

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Skill Enhancement Course for CBCS (Hons)

SEC-III: Research Methodology

This course is designed to help undergraduate students appreciate, learn and practice data-based research skills that will help them in writing term papers, project reports etc in their Discipline and Generic Elective courses.

- I. Nature of research
- II. Formulating the research topic
- III. Review of literature
- IV. Approaches to research and research strategy
- V. Research Ethics
- VI. Using secondary data
- VII. Using primary data – collecting data through observation/ interviews / questionnaire
- VIII. Sample selection methods
- IX. Analyzing data
- X. Writing Project Report – Referencing Styles

Note: Internal assessment for this course will include a research paper or project report

Suggested Readings :

1. Ranjit Kumar (2014), *Research Methodology: A Step-by-Step Guide for Beginners*, 4th Edition, Sage Publications.
2. Uwe Flick (2012), *Introducing Research Methodology: A Beginner's Guide to Doing a Research Project*, Sage Publications.
3. Bethlehem, J. (2009), *Applied Survey Methods: A Statistical Perspective*, Wiley.
4. Cochran, William, G. (2008), *Sampling Techniques*, Third Edition, Wiley-India, ISBN 978-81-265-1524-0. Reprint: 2008.
5. Groves, R. M., Fowler, F. J., Couper, M. P., Lepkowski, J. M., Singer, E. and Tourangeau, R. (2009). *Survey Methodology*, Wiley.

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Skill Enhancement Course for CBCS (Programme)

SEC-IV: Research Methodology

This course is designed to help undergraduate students appreciate, learn and practice data-based research skills that will help them in writing term papers, project reports etc in their Discipline and Generic Elective courses.

- I. Nature of research
- II. Formulating the research topic
- III. Review of literature
- IV. Approaches to research and research strategy
- V. Research Ethics
- VI. Using secondary data
- VII. Using primary data – collecting data through observation/ interviews / questionnaire
- VIII. Sample selection methods
- IX. Analyzing data
- X. Writing Project Report – Referencing Styles

Note: Internal assessment for this course will include a research paper or project report

Suggested Readings :

1. Ranjit Kumar (2014), *Research Methodology: A Step-by-Step Guide for Beginners*, 4th Edition, Sage Publications.
2. Uwe Flick (2012), *Introducing Research Methodology: A Beginner's Guide to Doing a Research*

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Skill Enhancement Course for CBCS (Programme)

SEC-III: Understanding the Economic Survey and Union Budget

The course seeks to familiarize the students with basic concepts related to some contemporary economic issues. Its aim is to equip the students with sufficient knowledge and skills so as to understand media discussions, and to critically analyze contemporary issues that figure in high-profile government documents, in particular the Economic Survey and the Union Budget. Such capability is necessary to understand government policies and also to increase people's participation in economic decision-making. The emphasis in the course will be on conceptual understanding, not data.

IV. Concepts

- j. Fiscal policy, need for government spending, areas of government spending in India
- k. Capital expenditure, revenue expenditure, plan expenditure, non-plan expenditure.
- l. Deficits (fiscal, primary, revenue), impact of fiscal deficit on economy, need to control fiscal deficits,
- m. Capital receipts, revenue receipts, tax and non-tax revenue, direct and indirect taxes, need to rationalize tax structure. Goods and Services Tax (GST).
- n. Actuals, Revised Estimates, Budget Estimates
- o. Zero-base budgeting
- p. Gender budgeting
- q. Fiscal devolution and centre-state financial relations in India

V. Economic Survey

VI. The Union Budget

Need for the Budget, Understanding the process of budget making in India, Analysis of budget in terms of various parameters such as:

- d) Deficits –trends in fiscal deficit and revenue deficit
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steps taken to increase revenue such as tax simplification, improvement in tax administration, expansion of tax net;
- f) Expenditure -expenditure pattern and expected growth in expenditure;
The thrust areas of the budget; areas / sectors which have received higher or lower share of expenditure, reasons and consequences thereof; steps proposed to ensure effective spending.

Suggested Readings:

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16. *The Key to Budget Documents, Budget At A Glance, Macroeconomic Framework Statement, Medium Term Fiscal Policy Statement and Fiscal Policy Strategy Statement*, all available at indiabudget.nic.in.
17. *Economic and Social Classification of the Budget*, available at <http://finmin.nic.in/reports/FunClass201415.pdf>.
18. <http://www.unionbudget.nic.in/ub2016-17/bh/bh1.pdf> (For Budget 2016-17 highlights)
19. Pranab Mukherjee (2012), "Budget Making", in K. Basu and A. Maertens (eds), *The New Oxford Companion to Economics in India*, OUP.
20. Dipak Dasgupta and Supriyo De (2012), "Fiscal Deficit", in Basu and Maertens.
21. Uma Kapila (2016), "Fiscal and Budgetary Developments", in *Indian Economy Since Independence*, Academic Foundation, latest edition.
22. Y V Reddy (2015), "Continuity, Change and The Way Forward: Fourteenth Finance Commission", EPW Vol. 50, Issue No. 21, 23 May, 2015
23. 14th Finance Commission
Report.<http://finmin.nic.in/14fincomm/14thFinanceCommission.htm>