

**THIRD YEAR : SEMESTER-V****Mathematical Economics –II****S/ECO/502/MJC-09****Credit- 04****Full Marks: 50****Classes: 60 (Lectures)**Course Description**A. Determinants and Matrices:****(16 Lectures)**

Concepts of Scalar, Vector and Matrices – System of Equations and their Representation through Vectors and Matrices – Some specific Matrices : Diagonal, Triangular, Identity, Null , Symmetric , Idempotent – Matrix operations - Addition, Subtraction and Multiplication of Matrices – Transpose and Inverse of Matrices- Determinants-Minor and Co-factor- Properties of Determinants- Bordered Hessian Determinant – Technique of solving Simultaneous Equations by Cramer's Rule – The IS – LM model and Comparative Static Analysis.

B. Multivariate optimization**(14 Lectures)**

Convex sets- - convex combination of two points-convex and concave functions, their characterization, properties and applications- Identification of convexity or concavity of functions: specific examples, the derivative rule for specifying a convex or concave function - Quasi convex functions- their characterization, properties and applications-Unconstrained optimization-Geometric characterization using calculus, applications.

C. Determination of Equilibrium Prices:**(10 Lectures)**

Leontief Static Open Model (LSOM) - Leontief Static Closed model (LSCM)- Linear Programming formulation of Input-Output Analysis, Examples.

D. Decisions under Uncertainty:**(10 Lectures)**

Maxi-min, Maxi-max, Hurwicz , Laplace and Savage Criterion for Optimal Decision.

E. Non linear programming:**(10Lectures)**

Basic Concept - Graphical solution- Kuhn tucker condition - Effect of non negativity restrictions - Effect of inequality constraints- Examples.



References:

- 1 . W. J .Baumol : Economic Theory and Operation Analysis, Prentice Hall
- . 2. Drofman , Samuelson and Solow : Linear Programming and Game Theory : An Economic Analysis
3. N. D . Vora : Quantitative Techniques in Management, Tata McGraw Hill.
4. Sharma : Operation Research , Theory and Applications, Macmillan India Ltd.
5. Taro Yamane : Mathematics for Economist- An Elementary Survey.

THIRD YEAR: SEMESTER-V**Statistics-II****S/ECO/502/MJC-10****Credit- 04****Full Marks: 50****Classes: 60(Lectures)**Description of Course**A. Theory of Probability (10 Lectures)**

- Basic Concepts: Meaning of Probability - Random Experiments – Trials - Sample or Outcome Space – Events - Mutually Exclusive, Equally Likely & Exhaustive Events – Complement of an event.
- Definitions of Probability: Classical Definition & its Limitations – Frequency or Empirical Definition - Axiomatic Definition
- Theorems of Probability: Theorem of Total Probability - Theorem of Compound Probability
- Conditional Probability & Statistical Independence - Bayes' Theorem.
- (Simple Numerical Exercise).

B. Random Variables and Mathematical Expectation (06 Lectures)

- Definition of Random Variables – Discrete & Continuous Random Variables - Distribution Functions of Random Variables – Probability Mass and Density Functions – Expectation and Variance of Random Variables.

C. Univariate Probability Distributions (10 Lectures)

- Discrete Probability Distribution: Binomial and Poisson Distributions – Properties - Mean, Variance & Moment Generating Functions.
- Continuous Probability Distribution: Normal & Standard Normal Distribution - Properties - Mean, Variance, Skewness & Kurtosis – Importance of Normal Distribution in Statistics.

D. Joint Probability Distribution (06 Lectures)

- Joint Probability Distribution of Two Random Variables – Marginal and Conditional Distribution - Idea of Independence - Expectation of the Product of Two Variables - Covariance between Two Variables as a Measure of Association

E. Sampling Theory and Sampling Distributions (12 Lectures)

- Elementary Sampling Theory: Population and Sample – Parameter and Statistic – Random Sampling – SRSWR & SRSWOR - Practical Methods of Drawing Random Samples – Random Sampling Numbers – Sampling Distribution – Standard Error.
- Sampling Distributions: Sampling Distributions Associated with Normal Population - Expectation and Standard Error of Sample Mean - Chi-Square Distribution, Student's T- Distribution, F-Distribution (Definition and Important Properties and Uses only)

F. Estimation and Testing of Hypothesis (16 Lectures)

- Fundamental ideas of Statistical Inference – Difference between Estimation and Testing of Hypothesis.
- Basic Concepts of Estimation: Desirable Properties of Estimators – Unbiasedness, Minimum Variance, Efficiency, Consistency – Simple Methods of Point Estimation – Maximum Likelihood Estimators and their Properties – Interval Estimation – Confidence Intervals – Confidence Coefficient.
- Testing of Hypothesis: Null Hypothesis & Alternative Hypothesis– Level of Significance & Critical Region – Two-tailed & One-tailed Tests – Type-I and Type-II Errors– p-value – Steps in Testing of Hypothesis– Simple Applications of Tests for the Mean and Variance of a Univariate Normal Population.

REFERENCES

1. Nagar and Das – *Basic Statistics for Business and Economics*
2. Mathai & Rathie – *Probability and Statistics*
3. Goon, Gupta and Dasgupta: *Fundamentals of Statistics, Vol. I & Vol. II*
4. R Spiegel and L.J. Stephen: *Statistics (Schaum Series)*
5. Sheldon Ross: *A First Course in Probability* (Pearson 9th Edn.)
6. E. Rukmangadachari: *Probability and Statistics* (Pearson)
7. R. V. Hogg, E. A. Tanis & J. M. Rao: *Probability and Statistical Inference* (Pearson)
8. N. G. Das – *Statistical Method (Vol. II)*, (Tata McGrawhill)

**THIRD YEAR : SEMESTER-V****Public Economics****S/ECO/50/MJC-11****Credit- 04****Full Marks: 50****Classes: 60 Lectures)****A. Nature & Scope of Public Economics (10 Lectures)**

- Definition and Scope of Public Economics
- Externalities: Meaning & Types of Externality - Positive and Negative Externalities – Externality & Market Failure
- Market Failure and Government Intervention
- The Coase Theorem

B. Theory of Public Goods (10 Lectures)

- Concept of Public Goods– Pure Public Goods and Merit Goods - Characteristics of Pure Public Goods – Distinction between Pure Public Goods and Private Goods – Exclusion Principle – Public Goods & Free Rider Problem - Market Failure in Case of Public Goods
- Optimal Provision of Public Goods - Lindhal Equilibrium.

C. Taxation (20 Lectures)

- Definition of Taxes & Canons of Taxation
- Classification of Taxes: Direct and Indirect Taxes – Proportional, Progressive and Regressive Taxation - Merits & Demerits
- Principles of Taxation: Benefit Principle – Equal Sacrifice Principle –Ability to Pay Principle
- Burden of Taxes: Impact, Shifting and Incidence of Taxes
- Effects of Taxes: Effects of Taxation on Income Distribution, Work Efforts and on Savings – The Laffer Curve - Optimal Taxation

D. Public Expenditure & Public Debt (20 Lectures)

- Public Expenditure: Meaning & Classification of Public Expenditure - Government Budget & its Types – Government Expenditure & Tax Multipliers – Balanced Budget Multiplier
- Public Debt: Meaning of Public Debt – Purposes of Public Debt - Sources of Public Borrowings: Internal and External Public Debt – Effects and Burden of Public Debt.
- Fiscal Federalism in India



REFERENCES:

- a. Musgrave: *Theory of Public Finance*
- b. R. A. Musgrave & P. B. Musgrave: *Public finance in Theory & Practice* (McGrawHill, 5th edn. 1989)
- c. J. F. Due & A. F. Friedlander: *Government Finance – Economics of Public Sector* (AITBS Publishers, 1994)
- d. J. E. Stiglitz: *Economics of Public Sector* (W.W. Norton & Company, 3rd Edn. 2000)
- e. Amaresh Bagchi (Ed.): *Readings in Public Finance* (OUP)
- f. A. Ghosh & C. Ghosh: *Public Finance* (Prentice-Hall India, 2nd Edn. 2014)
- g. Subrata Ganguly - *Public Finance*
- h. H.L.Bhatia: *Public Finance, Ltest Edition*



THIRD YEAR : SEMESTER-V

Money and Banking

S/ECO/504/MJC-12

Credit- 04

Full Marks: 50

Classes: 60 Lectures)

A. Introduction

(Lectures: 08)

Relevance of study of Money & Banking- Evolution of Money -Development of Banking System- Understanding rate of interest.

B. Money

(Lectures: 06)

Concept, Functions, Kinds, Measurement of Money-Theories of determination of Money supply

C. Financial Institutions, Markets, Instruments and Financial Innovations

(Lectures: 16)

- (a) Money Market: Organization, structure and reforms in India, Interaction of Money Supply & Demand
- (b) Role of Financial markets & Institutions –Concept of Capital market-Money multiplier.
- (c) Financial Instruments: Call Money, Commercial Paper, Certificate of Deposit, Treasury bill, Repo rate, Commercial Bill

D. Banking System

(Lectures: 15)

- (a) Financial Intermediation
- (b) Business of Banking- Balance Sheet & portfolio management
- (c) Indian Banking System : Changing role & Structure
- (d) Banking Sector Reforms

E. Central Banking & Monetary Policy

(Lectures: 15)

- (a) Functions- Balance Sheet- Goals and Targets- Monetary Policy Transmission and mechanism
- (b) Central Bank Strategy: Exchange Rates
- (c) Indicators and instruments of monetary Control; monetary management in an open Economy
- (d) Current Monetary Policy of India

References:

1. F.S. Mishkin, The Economics of Money, Banking and Financial Markets, Prentice Hall, 2007
2. F.S. Mishkin and S.G. Eakins, Financial Markets and Institutions, Pearson Education, 6th Edition, 2009
3. L.M. Bhole and J. Mahakud, Financial Institutions and Markets, Tata McGrawHill, 5th edition, 2011
4. F.J. Fabozzi, F. Modigliani, F.J. Jones, M.G. Ferri, Foundations of Financial Markets and Institutions, Pearson Education, 3rd edition, 2009
5. M.Y. Khan, Indian Financial System, Tata McGrawHill, 7th edition, 2011
6. Various latest issues of R.B.I. Bulletins, Annual Reports, Reports on Currency and Finance and Reports of the Working Group of Reserve Bank Of India, IMF Staff Papers



THIRD YEAR: SEMESTER-V

Money and Banking

S/ECO/505/MN-5

Credit- 04

Full Marks: 50

Classes: 60(Lectures)

Course Description

A. Introduction

(Lectures: 08)

Relevance of study of Money & Banking- Evolution of Money -Development of Banking System- Understanding rate of interest.

B. Money

(20 Lectures)

Evolution of Money, Concept, functions and types of Money Supply of Money – Factors Determining Money Supply –Measures of Money Supply (M1, M2, M3 etc) – High Powered Money and Money Multiplier Demand for Money- Transaction demand for Money – Precautionary Demand for Money – Speculative Demand for Money

C. Financial Institutions, Markets, Instruments

(12 Lectures)

(a) Money Market: Organization- Structure of Money Market.

(b) Financial Instruments: Call Money, Commercial Paper, Certificate of Deposit, Treasury bill, Repo rate, Commercial Bill –Concepts only.

D. Banking

(20 Lectures)

Commercial Bank: Definition and functions of Commercial Banks- Credit creation by Commercial banks. Major Developments in Commercial banking in India since independence- Performance of Commercial banks in India. Central Banking- Functions; Methods of Credit Control, Role and Functions of the Reserve Bank of India; Objectives & Limitations of Monetary Policy with Reference to India



References:

1. S.B Gupta: Monetary Economics: Institutions, Theory and Policy, 4th edition, S. Chand Publishing.
2. M. Y. Khan, Indian Financial System, Tata McGraw Hill, 7th edition.
3. L. M. Bhole and J. Mahukud, Financial Institutions and Markets, Tata McGraw Hill, 5th edition.
4. Cauvery, Kruparani, Sudha and Manimekalai: Monetary Economics, 2nd Edition S. Chand Publishing.
5. Sujatra Bhattacharyya: Indian Financial System, 2nd Edition, Oxford University Press
6. Jadhav Narendra (2006): Monetary Policy, Financial Stability & Central Banking, Macmillan

**THIRD YEAR: SEMESTER-VI****Basic Econometrics****S/ECO/601/MJC-13****Credit- 04****Full Marks: 50****Classes: 60 (Lectures)****Course Description****A. Introduction (10 Lectures)**

Definition & Scope of Econometrics – Types: Theoretical and Applied Econometrics - Relationship between Econometrics and Economic Theory – Aims /Objectives of Econometrics – Characteristics of Econometrics – Methodology or Stages of Econometric Research - Economic and Econometric Models – Desirable Properties of an Econometric Model - Limitations of Econometrics.

B. The Classical Linear Regression Model (Two Variable Case) (20 Lectures)

Specification of the Relationship between the Variables – Introduction of Error / Disturbance Term & the Reasons / Logic behind the Inclusion of Error Term –The Ordinary Least Squares (OLS) Method of Estimation: The OLS Assumptions & their Implications – Estimation of the Parameters – Properties of the OLS Estimators – BLUE (Gauss-Markov Theorem) – Variance of the Error Term – Statistical Inference in the CLRM: Confidence Intervals for the Estimated Parameters and Testing of Regression Coefficients — Goodness of Fit - The Coefficient of Determination, R^2 – (Simple Numerical Problems).

C. Multiple Regression: The CLRM (Three Variable Case) (15 Lectures)

Specification of the Classical Linear Regression Model with Two Explanatory Variables – Application of OLS Method for Estimation of the Parameters of the Model.

Violation of the Assumptions of OLS: Problems of Multi-co linearity, Heteroscedasticity and Autocorrelation - Nature of Problem, Causes, Consequences, Remedies (Concepts Only).

D. Concept of Dummy Variable (07 Lectures)

Definition – Uses of Dummy Variables – Dummy variables for Changes in Intercept Terms – Dummy Variables for Changes in Slope Coefficients - Estimation– Dummy Variable Trap



E. Specification Problem (08 Lectures)

Omission of a Relevant Variable – Inclusion of an Irrelevant Variable – Tests of Specification Errors

REFERENCES:

1. Dominick Salvatore (2001): *Schaum's Outline of Statistics and Econometrics* (McGraw-Hill).
2. Maddala: *Introduction to Econometrics* (Wiley)
3. Gujarati, N Damodar (2011): *Basic Econometrics* (McGraw-Hill).
4. Peter Kennedy (2004): *A Guide to Econometrics* (Blackwell Publishers).
5. A. Koutsoyannis: *An Introduction to Econometrics*
6. Christopher Dougherty: *Introduction to Econometrics* (Oxford University Press, Indian Edn. 2007)

**THIRD YEAR: SEMESTER-VI****Development Economics-II****S/ECO/602/MJC-14****Credit- 04****Full Marks: 50****Classes: 60 (Lectures)****Course Description****A. Demographic Issues & Development (14 Lectures)**

Demographic Concepts: Birth & Death Rates, Fertility Rate, Mortality Rate, Life Expectancy at Birth, Sex Ratio, Age Structure & Dependency Burden, Youth Dependency Ratio- Effects of Population Growth on the Process of Development – The Two-Way Relation- Theories of Population Growth: The Malthusian Theory – The Optimum Population Theory – The Theory of Demographic Transition.

B. Gender Issues & Development (12 Lectures)

Aspects of Gender Inequality: Discrimination against Women at Workplace – Evidences of Unequal Treatment within Households- The Concept of “Missing Woman” in Developing Countries

Gender Gap in Health & Education – Consequences of Gender Bias in Health & Education – Benefits of Educating Women- Woman & Development – Adverse Impact of Gender Bias on Development Performance- Importance of Empowerment of Women

C. International Trade & Development (10 Lectures)

Trade as Enemy, Handmaiden and Engine of Economic Growth -Terms of Trade and Economic Development – The Prebisch-Singer Thesis - Trade Policy Reforms: Concept of Trade Liberalization – Its Advantages & Disadvantages for Developing Countries

D. Foreign Capital Inflow: Opportunities & Controversies (12 Lectures)

Various Forms of Foreign Capital Inflow- Foreign Aid & The Development Assistance Debate: Arguments in Favor of Foreign Aid – Difficulties Associated with Foreign Aid – Tied Aid & Untied Aid- Foreign Direct Investment (FDI): Meaning of FDI – Role of FDI in Economic Development- Multinational Corporations (MNCs) & FDI: Present-day Role of MNCs in Developing Countries – Multinationals and Transfer of Technology.

E. Globalization & Economic Development (12 Lectures)

Globalization: Meaning & Dimensions – Conditions/ Essentials for Globalization - Implications & Impact of Globalization – Benefits & Opportunities, Costs & Risks for LDCs – Issue of International Migration & Brain Drain in the Globalization Perspective



GATT & WTO: Objectives of GATT – Main Resolutions of The Uruguay Round – From GATT to WTO – Major Differences between GATT & WTO – Functions & Principles of WTO -WTO Agreements & Developing Countries.

REFERENCES

1. Michael P. Todaro & Stephen C. Smith: *Economic Development* (Pearson, 10th Edn.)
2. Debraj Ray: *Development Economics* (Oxford University Press, 2009)
3. A. P. Thirlwall: *Growth & Development* (Lynne Rienner Publishers)
4. Gerald M. Meier & James E. Rauch: *Leading Issues in Development* (Oxford University Press)
5. Sampat Mukherjee: *Contemporary Development Economics* (New Central Book agency)
6. Subrata Ghatak : *Development Economics* (Routledge, 4th Edn, 2012)
7. Pearce & Turner: *Economics of Natural Resources & The Environment*
8. Abhijit V. Banerjee & Esther Duflo: *Poor Economics-Rethinking Poverty & The ways to End It* (Random India)
9. Sunanda Sen: *Globalisation and Development* (National Book Trust, 2007)
10. J.G. Stiglitz: *Globalisation and its Discontents* (Penguin)
11. Soumyen Sikdar: *Contemporary Issues in Globalisation, An Introduction to Theory and Policy in India.* (Oxford University Press)
12. D. Nayyar: *Governing Globalisation, Issues and Institutions* (Oxford University Press)
13. Misra and Puri: *Indian Economy* (Himalaya Publishing House, Latest Edition)

**THIRD YEAR: SEMESTER-VI****Environmental Economics****S/ECO/602/MJC-15**

Credit- 04

Full Marks: 50

Classes: 60 Lectures)

Learning Objectives

The Learning Objectives of this course are as follows:

This course provides basic knowledge of environmental economics, its relationship with microeconomics and welfare economics, to present and explains the significance and application in the present environmental challenges. It aims to describe and comprehend various environmental policies by deploying various policy instruments and to understand and measure the various market and non-market benefits of environmental policies. The course addresses the problems related to climate change, Trans boundary environmental problems, and challenges related to trade and the environment also.

Learning outcomes

The Learning Outcomes of this course are as follows:

The students will learn the trade-offs of economy and environment, and related challenges. They will comprehend the role of state and institutions to minimize the trade-offs.

Course Description**A. Introduction (06 Lectures)**

Subject Matter of Environmental Economics – The Environment-Economy Interaction – Key Environmental Issues and Problems – Economic Way of Thinking about these Problems.

B. Theory of Externalities & Market Failure (14 Lectures)

Definition of Market Failure & Externalities – Positive & Negative Externalities - Pareto Optimality and Market Failure in the Presence of Externalities – Pollution as externality – Optimal Level of Pollution-Externalities and Property Rights - The Coase Theorem-Common Property Resources & The Tragedy of Commons Public Goods & Free Rider Problem.

C. Design and Implementation of Environmental Policy (12 Lectures)

Overview: Determination of the Socially Efficient Level of Emission - Optimum Pollution Types of Pollution Control Policy: Direct Regulation or Command-and-Control



Policies – Polluters Pay Principle (PPP)
Emissions/Pollution Standard- Pigovian Taxes- Emissions/Effluent Fee- Standards Versus Fees and Taxes Versus Standards - Inefficiency of Standard-Setting- Tradable Emissions/Pollution Permits – Advantages & Disadvantages

D. Environmental Valuation (12 Lectures)

Meaning of Environmental Valuation – Valuation of Non-market Goods & Services – Use of Economic Value, Costs, Benefits, Willingness To Pay (WTP) & Willingness To Accept (WTA), Total Economic Value, Option Value, and Existence Value. Brief Discussion of Alternative Methods of Valuation- Cost-Benefit Analysis of Environmental Policies & Regulations-Contingent Valuation.

E. International Environmental Problems (08 Lectures)

Trans-Boundary Environmental Problems-Global Warming-Rain Forest Destruction- Economics of Climate Change- North-South Divide

F. Environment & Sustainable Development (08 Lectures)

Growth Versus Environment –Sustainable Development –Concepts – Rules of Sustainable Development and measures- concept of Environment accounting- The Environmental Kuznets Curve .

REFERENCES

1. Charles Kolstad: *Intermediate Environmental Economics* (Oxford University Press, 2nd edn. 2010).
2. Pearce & Turner: *Economics of Natural Resources & The Environment*
3. Hanley Shogren & B. White: *Environmental Economics* (CUP, 1999)
4. Tietenberg: *Environmental Economics*
5. Rabindranath Bhattacharya (ed.): *Environmental Economics – An Indian Perspective* (OUP)
6. Robert S. Pindyck, Daniel L. Rubinfeld, PremL.Mehta: *Microeconomics, Chapter 18* (7th Edn. Pearson).
7. Dominick Salvatore: *Microeconomics, Chapter 18* (Oxford)
8. Michael P. Todaro & Stephen C. Smith: *Economic Development* (Pearson, 10th Edn.)
9. Sampat Mukherjee: *Contemporary Development Economics* (New Central Book Agency)

**THIRD YEAR: SEMESTER-VI****Political Economy****S/ECO/604/MJC-16****Credit- 04****Full Marks: 50
(Lectures)****Classes: 60****Course Description****A. Characteristics of Classical Political Economy (10 Lectures)**

Who are the Classical Economists - Basic Classical Questions - Chief Features of the Classical System – Adam Smith's Growth Theory – The Ricardian One Sector Model - Classical Political Economy and Marx.

B. Social Change in Historical Perspective (10 Lectures)

The Theory of Historical Materialism- Marxian Theory of Stages of Growth – The Transition From Feudalism to Capitalism – Capitalism as a Historical Process for emergence of Socialism

C. Classical Theory of Value (12 Lectures)

Adam Smith's Labour Theory of Value - Ricardo's Statement of The Labour Theory of Value

Marx's Analysis of Value: Commodity Production - Use Value & Exchange Value - Qualitative and Quantitative Aspects of Value – Commodity Fetishism - Labour & Value – Labour & Labour Power - Abstract & Concrete Labour – The Quantitative Value Problem & Concept of Socially Necessary Labour – Criticism of the Marxian Labour Theory of Value

D. Surplus Value and Capitalism (12 Lectures)

Simple Commodity Production & Capitalist Commodity Production – The Origin of Surplus Value

Components of Value: Constant Capital, Variable Capital and Surplus Value – The Rate of Surplus Value

Organic Composition of Capital – The Rate of Profit - The Law of Falling Tendency of The Rate of Profit -Counteracting Forces& Criticism - Circuits of Capital.

E. Capitalism & Accumulation of Capital (08 Lectures)

Reproduction Schemes: Simple & Extended Reproduction - Accumulation & Industrial Reserve Army of labour- Accumulation and Technological change.

F. Theory of Capitalist Crisis (08 Lectures)

The Nature of Capitalist Crisis - Crisis associated with the Falling Rate of Profit
Realizations Crisis: Disproportionality Crisis – Under-consumption Theory of Crisis.



REFERENCES

10. P. Sweezy: *Theory of Capitalist Development* (KP Bagchi & Co. 1991)
11. A. K. Dasgupta: *Epochs of Economic Theory* (Oxford University Press)
12. Marc Blaug: *Economic Theory in Retrospect* (CUP, 1978).
13. Ben Fine: *Marx's capital* (Macmillan)
14. M. Desai: *Marxian Economics* (Basil Blackwell)
15. E. Mandel: *Marxist Economic Theory* (Merlin Press)
16. T. Bottomore: *A Dictionary of Marxist Thought* (OUP, Indian Edition, Maya Blackwell)
17. P.N. Junankar: *Marx's Economics* (Heritage Publishers)



THIRD YEAR: SEMESTER-VI

Economics of Health and Education

S/ECO/605/MN-6

Credit- 04

Full Marks: 50

Classes: 60(Lectures)

Course Description

A. Introduction to Health Economics

(06 Lectures)

Definition & Scope of Health Economics-Distinguishing Features of Health Economics-General features of Health Care: Distinction between Health & Health Care – Perspectives of Health: Health as a Right – Health as a Consumption as well as an Investment Good -Economic, Social and Cultural Factors determining Health Status - Income, Consumption Patterns, Education, Occupational Hazards, Social Status, Gender, and Family Size etc.

B. Microeconomic Foundations of Health Economics: Demand and Supply of Health Care (12 Lectures)

Demand for Health Care – A Derived Demand from Demand for Health – Determinants of Demand for Health & Health Care - The Problem of Supplier-Induced Demand
Supply of Health Care: Health Care Delivery System – Production & Cost
Economic Valuation of Health Care Programmes: Cost Effectiveness & Cost-Benefit Analysis of Health Care

C. Health Care Financing

(12 Lectures)

Different Sources of Health Care Funding: Public Sources - Private Sources – External Financing
Scope of Health Insurance: Alternative Insurance Mechanisms - Social Health Insurances
Sponsored or Mandated by the Government - Private (Voluntary) Health Insurance - Employers Based Health Insurance
Difference between Private& Social Health Insurance
The Role of Information, Uncertainty, Adverse Selection and Cost of Moral Hazard in Health Insurance Market

D. Market Failure & Rationale for Govt. Intervention

(15 Lectures)

Health Systems & Their Problems: Issues of Equity & Inequality, Misallocation, Inefficiency and Cost Explosion or Escalation -Causes of Market failure in the Provision of Health Services: Risk & Uncertainty, Asymmetric Information, Moral Hazard, Adverse Selection, Supplier-induced Demand, Externalities-The Role of Government: Encouragement of Schemes with Positive Externalities & Discourage those with Negative Externalities –Compensate for Problems Generated by Uncertainty & Insurance- Market Failure Provision of Cost-Effective Health Services to the Poor – Formulation of Effective Govt. Policies for Achieving Health for all.

E. An Overview of Health & Education Sectors in India

(15 Lectures)

Health Outcomes: Trends in Health Indicators - Infant Mortality Rate, Life Expectancy, Maternal Mortality Rate, TFR etc. – Poor Health of an Average Indian – Disease burden in India-Health Systems: Health Care Infrastructure in India & a Brief Account of Shortfall in Comparison to Social Need – Disparity in Rural/Urban Health Care Facilities – Major Initiatives To ensure Availability of Health Facilities for the Poor: NRHM, NUHM & AYUSH- Health Financing: Health Financing by the Centre & States – Health Insurance, Literacy Rates, School Participation,



School- Quality Measures: Trends in Literacy Rates Over time – Progress of Elementary Education – Enrolment Rates & Drop-Out Rates – Major Primary Education Schemes: Sarvo - Siksha Abhiyan, National Programme of Mid-Day Meals in Schools-Overall Achievements & Failures of Education System in India

REFERENCES

1. William Jack: *Principles of Health Economics For Developing Countries* (World Bank Institute Development Studies, 1999)
2. Michael P. Todaro & Stephen C. Smith: *Economic Development* (Pearson, 10th Edn.)
3. Debraj Ray: *Development Economics* (Oxford University Press, 2009)
4. A. P. Thirlwall: *Growth & Development* (Lynne Rienner Publishers)
5. Gerald M. Meier & James E. Rauch: *Leading Issues in Development* (Oxford University Press)
6. Sampat Mukherjee: *Contemporary Development Economics* (New Central Book Agency)
7. Blaug Mark: *Introduction to Economics of Education* (Penguin, London, 1972)
8. J. E. G. Tilak: *Economics of Inequality in Education* (Sage, New Delhi)
9. Datt & Sundharam: *Indian Economy* (S. Chand & Co., Latest Edition)
10. Misra & Puri: *Indian Economy* (Himalaya Publishing)
11. World Development Report, Investing in Health, The World Bank, 1993.

.....