

## **BA.LL.B(HONS.) – III SEMESTER**

### **ECONOMICS-II**

#### **COURSE CODE:**

**Course Objectives:** To give a broader perspective of the working of Indian economy. Students will learn concepts of national income, sources of revenue and classification of expenditures, LPG policies, WTO, TRIPS, TRIMS and GATT, agrarian structure and Indian economy. They also learn Industrial strategy and its impact on development, causes and measures of poverty. The course provides an introduction to monetary theory, to the effects of monetary variables on the macroeconomic system, the role of the Central Bank and the conduct of monetary policy.

#### **Course Outcomes:**

1. Understand concepts of national income, sources of revenue and classification of expenditures.
2. To understand LPG policies, WTO, TRIPS, TRIMS and GATT.
3. To analyse Agrarian structure and Indian economy.
4. To examine Industrial strategy and its impact on development.
5. To examine the causes and measures of poverty.
6. To enable to students of economics to understand theory, practice and analyse the interconnection between the monetary forces and real forces, their developmental role and limitations in shaping and influencing the monetary and related policies both at the national and international levels.

**UNIT – I:** National Income: Basic Concepts of National Income -Sectoral composition of National Income of India and changes there in Performance on the social front -Union Government- sources of Revenue and classification of expenditures, Fiscal indicators; LPG Policies: Transition from Centralized Planning to Indicative Planning -LPG policies, Relative roles of state and markets in pre-liberalization and post- liberalization periods -Globalization and its discontents -WTO, TRIPS, TRIMS, GATS.

**UNIT – II:** Agrarian Structure: Agrarian Structure, land Reforms, Farm subsidies, Support prices and Procurement policies, Food Security, Agrarian Crisis and Farmer suicides, WTO and Indian Agriculture; Industrial Strategy: Strategy of Industrialization, Special Economic Zones, FDI Policy-Multi-National Companies and their importance -Rise of Corporate power in India -Privatization and Dis-investment policies -Infrastructure policies.

**UNIT-III:** Alleviation programmes: Measures of Poverty and inequality and trends therein - Anti poverty programmes - Public Distribution System - Wage employment programmes- Concepts of Social justice and Inclusive growth and their Components.

**UNIT-IV:** The nature of Money and Payment System, Credit and Financial system, Financial Markets, RBI, Commercial Banks: Classification of Commercial Banks-Private and Public, Regional Rural banks, Liabilities and assets of banks, Evaluation of Cash Credit System, A new simplified Credit System, Performance of Private and Public banks, Basel Norms-I, II, III, Cooperative Banks, Development Banks, Non-Bank Financial Intermediaries, Global Financial Institutions, Unregulated Credit Markets.

**UNIT V: Monetary Policy and Central Banking, Goals, Targets and Indicators, Instruments: open market operation, Variations in Reserve Requirements, Changes in the Cost and Availability of Reserve Bank Credit to Banks, Changes in the Cost and Availability of Reserve Bank Credit to Development Banks, Statutory Liquidity Ratios, Moral Suasion, Selective Credit Control and Credit Monetary Arrangements, Monetary Credit Policy of RBI, Recent Developments on Financial Inclusion, Jan DhanYojana**

**Text Books:**

1. Dwivedi, D.N. Macroeconomics; Tata Mc Graw Hill; 2005
2. Shapiro, E. Macroeconomic Analysis; Tata Mc Graw Hill; 2003
3. Seth. M.L. Money, Banking, International Trade and Public Finance;
4. Gupta, Suraj B. (2016): Monetary Economics: Institutions, Theory and Policy, S. Chand and Company Private Limited, New Delhi.
5. JagdishHanda, (2009): Monetary Economics, 2nd Edition, Routledge, London
3. Walsh, Carl E (2010): Monetary Theory and Policy, Third Edition, The MIT Press  
Cambridge Massachusetts
7. Nachene, Dilip and BhalchandraMungekar (2003): Indian Economy in the New Millennium, Himalaya Publication, Mumbai. Journal of Monetary Economics

**Reference Books:**

1. Dewett, K.K. Modern Economic Theory;
2. Myneni, S.R. Principles of Economics: Allahabad Law Agency; Faridabad
3. Bhatia, H.L. Public Finance;
4. Mishra, S.K. and V.K. Puri Modern Macroeconomic Theory; Himalaya Publishing House; 2003
5. Jhingan, M.L. Macroeconomic Theory;
6. Dutt and Sundaram, "Indian Economy", Sultan Chand, 2016.
7. Misra and Puri, "Indian Economy", Himalaya Publication, 2016.