

# GUJARAT UNIVERSITY

## S.Y.B.A.

(Effective from June, 2004)

### Paper III—Principles of Economics (Micro--Economics)

- I Consumer Behaviour :** I Derivation of law of demand on the basis of utility--concept of indifference--curve--schedule--diagram--marginal rate of substitution. Assumption of indifference curve analysis--characteristics of indifference curve--concept of price--line changers in price line : ( location and slope )
- II Consumer Behaviour :** II Explanation of consumer's equilibrium (Marshall and Hicks)--Price--effect, Income--effect and substitution effect--Giffin paradox--Consumer's surplus (Marshall and Hicks). Application of indifference--curve analysis in (a) Taxes and subsidies (b) Welfare (c) International economics--superiority of analysis of Hicks over the analysis of Marshall.
- III Elasticity of demand and supply :** Meaning of elasticity of demand : Price elasticity, income elasticity and cross elasticity--Types of price elasticity and income elasticity--methods of measurement of elasticity of demand : Outlay method, proportional method, and percentage method--Factors affecting elasticity of demand--Meaning of elasticity of supply.
- IV Theory of production and cost :** Meaning of production function--short--run production function : Law of variable proportion--longrun production function : meaning of iso--quant and iso--cost curve, Returns to scale and economics of scale--shortrun cost and Longrun cost--Break--even point (concept only).
- V Perfect competition :** Meaning and characteristics of perfect competition--Pure and perfect competition--short--run and long--run equilibrium of a firm under perfect competition.
- VI Monopoly :** Meaning, types and characteristics of monopoly--price--discrimination--its possibility and profitability--Evils of monopoly--Concept of monopsony and bilateral monopoly.
- VII Imperfect Competition :** Concept of imperfect competition (Mrs. Robinson) and monopolistic competition (Chamberlin)--Duopoly and Oligopoly (concept only)--Meaning and characteristics of monopolistic competition--short--run equilibrium and long--run equilibrium under monopolistic competition--selling cost and advertisement cost--Impact of selling cost on demand.
- VIII Factor Pricing--I :** (Micro Theory of Distribution) Micro and macro distribution marginal productivity theory of distribution--rent--Ricardian and modern theory of rent--Quasi-rent.
- IX Factor pricing : II : Wages and Profit :** Real and money wage--wage determination theories : Pigou collective bargaining--Meaning of Profit--Theories of Profit ; Risk, uncertainty, innovation and monopoly profits.
- X Factor pricing--III--Interest :** Meaning of interest--Natural and market rate of interest--Prime lending rate, structural rate of interest (concept only)--Theories of interest : classical theory, Loanable fund theory and liquidity preference theory.

\* Note : Each topic carries 10% weightage in question--paper.

### Paper--4 : Economy of Gujarat

- I Introduction :** What is region ? Why regional economics ? Different types of regions--Regional income, problem of estimation--indicator of regional development.
- II Profile of Gujarat in the background of Indian economy :** Population--State Domestic Product--Agriculture--Industry--Services--International trade.

**III Demographic features of Gujarat :** Trends in population since 1961 : Birth rate--Death rate--Infant--mortality rate--fertility rate--Longevity--Sex--ratio--literacy rate--age composition--Rural--urban distribution of population in Gujarat--Population policy of Government of Gujarat.

**IV Agriculture :** Brief historical survey of agriculture in Gujarat--Agro--climatic zones--Land utilisation and productivity--Crop-pattern--green revolution--irrigation ; Large, medium and minor irrigation--Sardar sarovar project--Agricultural produce marketing

**VI Industry :** A brief historical survey of industries in Gujarat--Industrial development in Gujarat after 1960--structural changes in industries of Gujarat : Textile industry, Diamond industry, Pharmaceutical industry, chemicals and dyestuff industry--Importance and development of small and cottage industries--Public sector in Gujarat ; problems and performance--Industrial policy of Government of Gujarat.

**VII Infrastructure : I :** Water--Energy--Transport--Telecommunications--Ports Importance, trends and policies regarding above mentioned sectors.

**VII Infrastructure : II :** Education--Health--Banking--Insurance--Importance, trends and policies regarding above--mentioned sectors.

**VIII State--finance :** Trends in income and expenditure of Government of Gujarat--Planning in Gujarat--Strategy of Planning and critical appraisal of 9th five year plan.

**IX Co--operative Movement in Gujarat :** Milk producing and marketing co-operatives white revolution--Industrial co-operatives--credit co-operatives--Urban co--operative banking : critical appraisal of above-mentioned co-operatives.

**X Specific Issues :** Economically backward areas in Gujarat--Poverty--Unemployment--Industrial and agricultural labour--Coastal--agriculture pollution.

\* **Note :** Each topic carries 10% weightage in question--paper.

### Paper V

**Paper No. V will have following options :**

1. Mathematical Economics
2. Economics systems and Development

Any one paper from the above two papers is to be offered by the students.

The details of syllabus of the above--referred paper are as follows :

### Paper V--(Optional)

#### Mathematical Economics

- 1. Basic Concepts :** Variables, sets, functions, Equations, Identities, System of equations, Application of straight--line system, slope of the line, homogeneous function.
- 2. Calculus :** Differentiation of a function; Maxima and Minima, Elasticities; equilibrium of a firm and consumer; Inter--relationships among total, marginal and average cost and revenues; Constrained optimization problem; integration of a function, consumer's and producer's surplus.
- 3. Matrix and Determinants :** Various types of matrices, Determinants, Inverse of matrix, crammer's rule, Input--output analysis; simple static model, Linkages, concept of linear programming--Graphic method.
- 4. Introduction to statistics :** Basic concepts; Population, sample, parameter, frequency distribution, cumulative frequency; graphic and diagrammatic representation of data, Techniques of data collection; sampling vs. Population, primary and secondary data.
- 5. Central Tendency and Dispersion :** Measures of central tendency; Mean, Media, Mode, Geometric mean and Harmonic mean. Measures of dispersion; range, mean deviation, standard deviation, coefficient of variation, quartile deviation, skewness and Kurtosis.

6. **Correlation Analysis** : Correlation; simple, coefficient of correlation--Karl pearson and rank correlation, partial and multiple correlation analysis.
  7. **Regression Analysis** : Regression analysis--Estimation of regression line in a bivariate distribution--Least squares method, interpretation of regression coefficients.
  8. **Time Series** : Time series analysis--Concept and components--Determination of regular, trend and seasonal indices.
  9. **Index Numbers** : Index numbers--Concept, price relative, quantity relative, value relative; Laspeyer's paasche's and Fisher, family budget method; problems in the construction and limitations of index numbers, Tests for ideal index number.
  10. **Probability and Distribution** : Probability : Concept, rules of probability (Addition and multiplication); random variables, Mathematical expectations, Theoretical distribution--Binomial, Poisson and Normal : their properties and uses.
- \* **Note** : Each topic carries 10% weightage in question-paper.

### **Paper--V : ( Optional)**

#### **Economic systems and Development**

- I Economics systems** : Characteristics of economic system--concepts of feudalism and mercatalism.
  - II Capitalism** : Economic institutions of capitalism : Private property, Inheritance, freedom of enterprise, competition and consumer's sovereignty--Strength and weakness of capitalism.
  - III Socialism : Features of socialism** : Public ownership of property and means of production--centralised planning--limited role of market--communism : Origin and features.
  - IV Gandhian economic thought** : Basic features of Gandhian economic thought with special reference to use of machines, principle of trusteeship, Gramswaraj and Sarvodaya--relevance of Gandhism.
  - V Growth and development** : Meaning of progress, growth and development--Indicators of development ; Per capita Income (with special reference to purchasing power parity), Physical quality of life index, Basic needs approach.
  - VI Sustainable Development** : Concept and components relationship with natural resources.
  - VII Human Development** : Concept--components : Equality, education, Health, poverty, gender perspective.
  - VIII Governance and Development** : Difference between administration, management and governance--Accountability and transparency--Participatory development.
  - IX Human rights and development** : Declaration of 1948--Provision in Indian constitution.
  - X Common property resources** : Problems related with common properties like land, water and forests.
- Note** : Each topic carries 10% weightage in question--paper.

### **Economics Paper--VII (Second Subsidiary)**

#### **Some Problems of Indian Economy**

- I Agriculture** : Importance of agriculture in Indian economy--Causes of low productivity in Indian agriculture--Role of hybrid seeds, fertilisers and irrigation in increasing productivity.
  - II Industry** : Importance of industrial development--Objectives of developing public sector, performance of public sector units, problems of public sector units--small and cottage industries, problems and government policy.
  - III Population** : Trends in population after 1951--Causes of rapid increase in population--effects--remedies.
  - IV Poverty** : Meaning of poverty--Abosolute and relative poverty--causes of poverty policy of the government for reducing poverty.
  - V Unemployment** : Meaning of unemployment--Types of unemployment--causes of uemployment--policy of the government for solving unemployment problem.
- \* **Note** : Each topic carries 20% weightage in marks,

દ્વિતીય વર્ષ બી.એ.

અર્થશાસ્ત્ર પેપર ૭—ભારતીય અર્થકારણની કેટલીક સમસ્યાઓ :

(૧) ખેતી : ભારતીય અર્થતંત્રમાં ખેતીનું મહત્ત્વ - ખેતીમાં નીચી ઉત્પાદકતાના કારણો અને ઉપાય તરીકે સુધારેલું બિયારણ - ખાતરો - સિંચાઈનો ફાળો.

(૨) ઉદ્યોગો :

\* ઔદ્યોગિક વિકાસનું મહત્ત્વ

\* જાહેર ક્ષેત્રના વિકાસના ઉદ્દેશો - કામગીરી - સમસ્યાઓ.

\* નાના અને ગૃહ ઉદ્યોગો - મહત્ત્વ - સમસ્યાઓ - સરકારી નીતિ.

(૩) વસ્તી : ૧૯૫૧ પછી વસ્તી વૃદ્ધિના વલણો - વસ્તી વૃદ્ધિના કારણો - અસરો - ઉપાયો.

(૪) ગરીબી : અર્થ : નિરપેક્ષ - સાપેક્ષ ગરીબી - ગરીબીના કારણો - ગરીબી નિવારણની સરકારની નીતિ.

(૫) બેકારી : અર્થ - પ્રકારો - કારણો - સરકારની નીતિ.

નોંધ : દરેક પ્રકરણનો ભાર ૨૦ ટકા છે.