

Category II

Economics Courses for Undergraduate Programme of study with Economics as one of the Core Disciplines (B.A. Programmes with Economics as Major discipline)

DISCIPLINE SPECIFIC CORE COURSE -9 (DSC-9): Intermediate Microeconomics II: Market, Government and Welfare

Course title & Code	Credits	Duration (per week)			Eligibility Criteria	Prerequisite
		Lecture	Tutorial	Practical/ Practice		
Intermediate Microeconomics II: Market, Government and Welfare - ECON010	4	3	1	0	Class 12th	Introductory/Principles of Microeconomics

Learning Objectives

The Learning Objectives of this course are as follows:

- This course introduces students to analysis of multi-commodity markets.
- The efficiency results, known as welfare theorems, are central to understanding of market economy.
- The course also discusses inefficiencies coming from market concentration and externalities.
- It further would discuss the role of government to deal with the inefficiencies and resultant welfare outcomes.

Learning outcomes

The Learning outcomes of this course are as follows:

- This course helps the students to understand efficiency of markets and the environment where the standard market mechanism fails to generate the desirable outcomes in simple general equilibrium settings.
- The issues of market imperfection and market failures lead students to the economics of policy design. The students will learn the efficacy of government interventions for the improved welfare.

Syllabus

UNIT I: Monopoly (9 hours)

Monopoly pricing, Inefficiency, Price discrimination, Regulation

UNIT II: General equilibrium (9 hours)

Exchange economy, Robinson Crusoe economy, Pareto optimality, Welfare theorems, Welfare and social choice

UNIT III: Models of Monopolistic Competition (9 hours)

Firms with differentiated products, mark-up, short-run and long-run equilibrium

UNIT IV: Externalities (9 hours)

Market inefficiency under externalities, Pigou tax, Coase theorem, Market creation and other solutions

UNIT V: Public Good (9 hours)

Inefficiency of market equilibrium, Optimal public good provision, Free rider problem, Lindahl taxes

Recommended readings

- Serrano, Roberto and Feldman, Alan (2012), *A short course in intermediate Microeconomics with Calculus*, Cambridge University Press
- Espinola-Arredondo, Ana and Munoz-Garaia, Felix (2020), *Intermediate Microeconomic Theory*, MIT Press
- Munoz-Garaia, Felix (2017) *Practice Exercises for Advanced Microeconomic Theory*, MIT Press.
- Dunaway, Eric; Strandholm, John C., Espinola-Arredondo, Ana and Munoz-Garcia, Felix (2020) *Practice Exercises for Intermediate Microeconomic Theory*, MIT press

Note: Examination scheme and mode shall be as prescribed by the Examination Branch, University of Delhi, from time to time.

DISCIPLINE SPECIFIC CORE COURSE -10 (DSC-10): Introductory Development Economics

Course title & Code	Credits	Duration (per week)			Eligibility Criteria	Prerequisite
		Lecture	Tutorial	Practical/ Practice		
Introductory Development Economics – ECON015	4	3	1	0	Class 12th	NIL

Learning Objectives

The Learning Objectives of this course are as follows:

- This course discusses the basic concept of growth and further links it up with alternative conceptions of development.
- It then proceeds to examine the aspects of poverty and inequality, not just in terms of income and wealth, but in terms of capabilities too.
- The axiomatic basis for inequality measurement is used to develop measures of inequality and poverty.
- It further explores the connections between growth and inequality.
- The course ends by linking political institutions to growth and inequality by discussing the role of the state in economic development and the informational and incentive problems that affect state governance.

Learning outcomes

The Learning outcomes of this course are as follows:

- The students would distinguish between growth and development and get an idea about the factors affecting the level of development as well as the process of economic development.
- Further, they comprehend and analyse various concepts and measures of underdevelopment including poverty and inequality.

Syllabus

UNIT I: Introducing Economic Development: Global Perspective (12 hours)

Conceptions of Economic Growth and Development; Concepts of economic growth and linking it up with alternative measures of development, including human development, documenting the international variation in these measures, comparing development trajectories across nations and within them.

UNIT II: Theories of Economic Development (12 hours)

Classic Theories of Economic Growth and Development - four approaches (linear- stages theories, structural change models, international dependence, neoclassical

UNIT III: The Strategy of Economic Development: Institutional Pathways (9 hours)

Balanced and Unbalanced growth, interlinkages, big-push and the role of markets and state, alternative institutional trajectories and their relationship with economic performance

UNIT IV: Poverty and Inequality (12 hours)

Definitions, Measures and Mechanisms, Inequality axioms and principles; a comparison of commonly used diagrammatic and mathematical inequality measures, their deficiencies and usage; connections between inequality and development; inequality trends at international level; conceptualisation of the poverty lines at

domestic and international levels; poverty measurement; characteristics of the poor; capability approach to poverty; mechanisms that generate poverty traps and path dependence of growth processes.

Recommended readings

- Partha Dasgupta (2007), *Economics: A Very Short Introduction*, (AVSI), Oxford University Press.
- Perkins, D. H., Radelet, S. C., Lindauer, D. L., & Block, S. A. (2013). *Economics of Development*. 7th Edition, New York: WW Norton & Company.
- Todaro, M. P., & Smith, S. C. (2020). *Economic Development*. Pearson UK.
- Elinor Ostrom (1990), *Governing the Commons: The Evolution of Institutions for Collective Action*, Cambridge University Press.
- Gustav Ranis et al., Economic Growth and Human Development (2000), *World Development* Vol. 28, No. 2, Elsevier Science Ltd.
- Pranab Bardhan (2010), *Awakening Giants, Feet of Clay: Assessing the Economic Rise of China and India*, OUP.
- Thomas Dietz, Elinor Ostrom and Paul C. Stern, 'The Struggle to Govern the Commons', *Science*, vol. 302, No. 5652 (Dec. 12, 2003), pp. 1907-1912.
- Mancur Olson, Jr. (1996), 'Big Bills Left on the Sidewalk: Why Some Nations are Rich, and Others Poor', *Journal of Economic Perspectives*, vol. 10, no. 2, pp. 3-24.
- Albert O. Hirschman, *Rival Views of Market Society and Other Essays*, Ch. 3: 'Linkages in Economic Development'.
- Nurkse, Ragnar (1961). *Problems of Capital Formation in Underdeveloped Countries*. New York: Oxford University Press. Chapter 3.
- Rodenstein Rodan, PN (1943) Problems of Industrialization of eastern and south eastern Europe, *Economic Journal*, vol. LIII, p. 202-11.
- Dani Rodrik (2009), *One Economics, Many Recipes: Globalization, Institutions and Economic Growth*, Princeton University Press.
- Andre Shleifer and Robert W. Vishny (1993), 'Corruption', *Quarterly Journal of Economics*, 108(3), pp. 599-617.

Note: Examination scheme and mode shall be as prescribed by the Examination Branch, University of Delhi, from time to time.