ANDHRA PRADESH STATE COUNCIL OF HIGHER EDUCATION

with effect from Academic Year 2023-24

MINOR

ECONOMICS

Program Objective: This program is to impart the basic knowledge and skills among the students in the field of economics as minor subjects

Program Outcomes:

PO 1: Learn basic concepts, principles and theories in economics
PO 2: Analyse issues in current economy at different levels
PO 3: Acquire employability and research skills in the field of economics

PAPER TITLES FOR ECONOMICS MINOR

Sem	Paper	Minor	Credits	Hours
II	1	Microeconomics	4	4
III	2	Macroeconomics	4	4
IV	3	India and A.P Economy	4	4
	4	Statistics for Economics	4	4
V	5	Inferential Statistics and Software Packages	4	4
	6	Urban Entrepreneurship and MSMEs	4	4

1. MICROECONOMICS

Course Objective: This course is to learn about basic concepts, principles and theories in Microeconomic to understand the economic behavior of an individual person and firm.

Course Learning Outcomes:

After studying this course, the student shall be able to achieve the following outcomes:

CO1: Explain what is an economy, economics and differentiate between micro and macro economics

CO2: Analyses the demand of a product and estimate elasticity

CO3: Estimate production function and understand its application

CO4: Analyze functioning of different markets and their differentiations

CO5: Examine the determination of rent, wage, interest and profit

Unit–1: Introduction to Economics

- Economic Activities and Economic System; Definition, Scope and Importance of Economics
- Fundamental problems of economics: Scarcity and Choice, Production Possibilities Curve
- Meaning and Scope of Microeconomics; Differences between Micro and Macro Economics
- Principles of Microeconomics: Equilibrium, Optimization, Welfare ; Methodology in Economics : Positive and Normative

Unit -2: Demand and Consumption

- Demand: Meaning, Types and Factors; Law of Demand
- Elasticity of Demand: Meaning, Price, Income and Cross Elasticities
- Utility: Meaning, Types, Importance; Marginal Rate of Substitution (MRS), DMRS
- Indifference Curves (IC): Concept, Properties; Budget Line; Consumer Equilibrium under IC

Unit -3: Production and Supply

- Firm: Concept and Objectives; Production and Factors of Production; Concepts of Production, Cost and Revenue: Total, Average, Marginal
- Production Function: Meaning and Types; Cobb- Douglas Production Function
- Law of Variable Proportions; Laws of Returns to Scale
- Supply: Meaning, Factors, Law of Supply, Elasticity of Supply

Unit-4: Markets

- Market: Concept and Classification; Perfect Competition: Characteristics, Equilibrium of Firm and Industry
- Monopoly: Characteristics, Equilibrium, Price Discrimination
- Monopolistic Competition: Characteristics, Equilibrium, Selling Costs
- Oligopoly: Characteristics, Types, Kinked Demand Curve Model

Unit - 5: Distribution

- Distribution: Meaning, types and importance
- Rent: Ricardian Theory of Rent, Marshallian Quasi Rent
- Theories of Wage: Subsistence Theory, Modern Theory
- Theories of Interest: Classical Theory, Loanable Funds Theory
- Theories of Profit: Risk and Uncertainty Theory, Innovations Theory

References:

1. Microeconomic Analysis, Bilingual Textbook, APSCHE
2. H. L. Ahuja, Advanced Economic Theory, S. Chand, 2004
3. A. Koutsoyiannis, Modern Microeconomics – Macmillan, London.
4. P. N. Chopra, Principles of Economics, Kalyani Publishers, Ludhiana, 2018.
5. Telugu Academy Publications on Microeconomics
6. Microeconomics, Dr. Br. Ambedkar Open University Material
7. Microeconomics, IGNOU Material

Suggested Activities:

Unit-1: Group discussion on Identifying Surrounding Economic Activities

Unit-2: Project on Demand Analysis of any Good/Services and make presentation

Unit-3: Assignment on any production function or concepts of production

Unit-4: Field visit to any market and submission of a report

Unit-5: Seminar on distribution theories

2. **MACROECONOMICS**

Course Objective: This course is to learn about basic concepts, principles and theories in Macroeconomics to understand the functioning of a macro economy.

Course Learning Outcomes:

After studying this course, the student shall be able to achieve the following outcomes:

CO1: Explain the functioning a macro economy with its inter-linkages and measure and analyse the national income of the country

CO2: Analyse the Classical and Keynes theories of employment and its application in current Economy

CO3: Explain the importance of money and banking along with their functions Analyse RBI policies

CO4: Analyse causes and evaluate the measures to control inflation and trade cycles in the economy

CO5: Evaluate the macroeconomic policy targets

Unit - 1: Introduction to Macroeconomics and National Income

- Macroeconomics: Definition, Scope and Importance; Macroeconomic Variable: Stock and Flow
- Circular Flow of Income: Two, Three and Four Sector Models
- National Income: Definition, Concepts, Importance
- Measurement of National Income and Difficulties

Unit -2: Theories of Employment, Consumption and Investment

- Classical Theory of Employment: Assumptions, Say's Law of Market, Pigou's Wage-Price Flexibility, Classical Model, Criticism
- Consumption: Factors, Consumption Function, Keynes' Psychological Law of Consumption
- Investment: Types, Factors, Investment Function; Marginal Efficiency of Capital, Multiplier and Accelerator
- Keynesian Theory of Employment: Assumption, Concepts and Model

Unit – 3: Money and Banking

- Money: Definition, Types, Functions; RBI classification of Money
- Theories of Money: Fisher and Cambridge
- Banking: Definition, Types, Importance, Functions; NBFCs

- Central Bank: Objectives, Functions, Monetary Policy

Unit – 4: Inflation and Trade Cycles

- Inflation: Meaning, Types, Importance, Measurement
- Causes, Consequences and Controlling of Inflation
- Inflation vs Unemployment, Phillip's Curve
- Trade Cycles: Phases, Causes and Controlling Measures

Unit -5: Financial Market and Macroeconomic Policies

- Financial Markets: Types, Instruments, Functions
- Stock Market: Functions, Indices Sensex and Nifty
- Macroeconomic Policy: Targets, Indicators and Instruments; Fiscal Policy and Crowding-Out Effect
- Neo-classical and Keynesian Synthesis: IS-LM Basic Model

References:

1. Macroeconomic Analysis, Bilingual Textbook, APSCHE
2. H. L. Ahuja, Advanced Economic Theory, S. Chand, 2004
3. P. N. Chopra, Macroeconomics, Kalyani Publishers, Ludhiana, 2014.
4. D. M. Mithani, Macro Economic Analysis and Policy, Himalaya Publications, New Delhi
5. Telugu Academy Publications on Macroeconomics
6. Macroeconomics, Dr. Br. Ambedkar Open University Material
7. Macroeconomics, IGNOU Material

Suggested Activities:

Unit-1: Practical Exercise on national income measurement

Unit-2: Group discussion on application of classical and Keynesian employment theories to current economics

Unit-3: Field visit to commercial bank and submit a report

Unit-4: Assignment on current measures to control inflation

Unit-5: Quiz on financial markets and debate on monetary vs fiscal policy

3. INDIA AND A.P ECONOMY

Course Objective: This course is to provide basic understanding about functioning of various aspects in Indian economy and analyse various issues and problems and suggest measures.

Course Learning Outcomes:

After studying this paper, the students shall be able to achieve the following outcomes:

CO1: Explain the basic characteristics, structural changes, planning and human development in Indian economy

CO2: Analyse the changes in incomes, demography and the developmental issues such as poverty, inequality, unemployment and migration and suggest measures to address them

CO3: Examine the components of agricultural and industrial sectors and their performance

CO4: Examine the issues in public finance in terms of taxes, revenues, deficits and finance commission

CO5: Analyse the issues in Andhra Pradesh economy related to agriculture, industry and welfare programs

Unit 1: Basic Features, Planning and Human Development in India

- Basic characteristics of Indian Economy as a developing economy
- Economic development since independence, Economic Structure and its changes in India
- Planning Commission: Objectives, major strategies and achievements; NITI Ayog its approaches to economic transformation in India
- Trends in Human Development Index in India and Measures to Improve

Unit 2: National Income, Demography and Developmental Issues

- Trends in National income; Demographic Features
- Poverty and Inequalities; Occupational Structure and Unemployment
- Various Schemes of employment generation and eradication of poverty
- Issues in Rural and Urban Development; Labour Migration: Challenges and Measures

Unit 3: Agricultural and Industrial Developments

- Indian Agriculture: Agricultural Reforms, Agricultural Strategies and Agricultural Policy
- Agricultural Credit; Agricultural Price Policy & MSP
- Indian Industry: Economic Reforms and New Industrial Policy
- Industrial Development Programs: Make-in India, Start-up, Stand-up, Industrial Corridors

Unit–4 Indian Public Finance

- Indian Tax System and Recent changes ; GST and its impact on Commerce and Industry
- Centre, States Financial relations; Recommendations of Recent Finance Commission
- Fiscal Policy: Status and Issues in Public Expenditure and Public Revenue
- Status and Issues in Public Debt and Budget Deficits; Analysis of Latest Budget

Unit- 5 Andhra Pradesh Economy

- Basic characteristics of Andhra Pradesh economy after bifurcation in 2014; Impact of bifurcation on the Economy
- Challenges in industrial Development and new initiatives
- Challenges in Agriculture and Rural Development and new Initiatives
- Social Welfare Programmes and other measures to address Issues of Poverty and Unemployment; Skill Development Initiatives

References:

1. Dhingra, I.C., Indian Economy, Sultan Chand, New Delhi, 2014.
2. Gaurav Datt and Ashwani Mahajan, Datt and Sundharam's Indian Economy, S.Chand& Co., 2016
3. G. M. Meier, Leading Issues in Economic Development, Oxford University Press, New York,
4. P. K. Dhar, Indian Economy: Its Growing Dimensions, Kalyani Publishers, Ludhiana, 2018.
5. Reserve Bank of India, Handbook of Statistics on Indian Economy (Latest).
6. S.K.Misra&V,K,Puri, Indian Economy, Himalaya Publishing House, 2015. 8. R.S.Rao,
7. A.P Economy- Telugu Academy, 2018
8. Economic Surveys

Suggested Activities:

Unit-1: Assignments on features and structural changes of Indian economy

Unit-2: Group Project on issues of poverty, unemployment and inequality and make suggestions

Unit-3: Quiz on Agriculture and Industrial sectors

Unit-4: Group discussions to issues of taxation, public expenditure, Public debt, budget

Unit-5: Seminar topics in AP economy and filed visits to industry or agriculture in local area submit a report

4. STATISTICAL METHODS FOR ECONOMICS

Course Objectives: The course teaches students the basics of statistics with a special focus on its day-to-day applications in economics. It sets a necessary foundation for the econometrics courses and courses in advanced microeconomic theory within the Honours programme**.**

Course Learning Outcomes:
At the end of the course, the student is expected to demonstrate the following cognitive abilities and psychomotor skills:

CO1: Understand the nature of statistics and able to collect data using questionnaire
CO2: Draws critical diagrams and graphs for presentation of data
CO3: Calculates and Analyses Averages and Dispersions using given data and information
CO4: Explains the uses of correlation and regression analysis, time series and index numbers in economic analysis.
CO5: Calculate index numbers

Unit – 1: Introduction to Statistics

- Nature and Definition of Statistics, scope, importance and limitations of Statistics
- Primary and Secondary data
- Census and Sampling techniques and their merits and demerits
- Schedule and questionnaire, Collection of data
- Applications in economics

Unit – 2: Diagrammatic Analysis

- Data: Meaning and Types; Frequency distribution
- Tabulation, Graphical presentation of data: Line graph, Histogram, Frequency Polygon, Cumulative Frequency Curves
- Diagrammatic presentation of data: Line, Bar, Pie Diagrams
- MS.Excel for Diagrammatic Analysis; Applications in economics

Unit – 3: Measures of Central Tendency and Dispersion

- Averages: Arithmetic Mean, Median, Mode, Geometric Mean, Harmonic Mean
- Dispersion: Range, Quartile Deviation, Mean Deviation, Standard Deviation, Coefficient of Variation
- MS.Excel for Measures of Central Tendency and Dispersion; Applications in economics

Unit – 4: Correlation and Regression

- Correlation: Concept, Definition and Use
- Types of Correlation: Karl Pearson's Correlation coefficient, Spearman's Rank Correlation
- Regression: Concept, Definition, Use, Regression Equations, Demand forecasting
- MS Excel for Correlation and Regression; Applications in economics

Unit – 5: Time Series and Index Numbers

- Time Series: Definition and Components; Measurement of Time Series: Moving Average and the Least Squares Method
- Index Numbers: Concepts of Price and Quantity Relatives, Laspeyer's, Paasche's and Fisher's Ideal Index Numbers
- Uses and Limitations of Index Numbers
- MS Excel for Index Numbers; Applications in economics

References:

1. B. R. Bhat, T. Srivenkataramana and K.S. MadhavaRao (1996): Statistics: A Beginner's Text, Vol. I, New Age International (P) Ltd
2. Goon A.M, Gupta M.K., Das Gupta B. (1991), Fundamentals of Statistics, Vol. I, World Press, Calcutta.
3. M. R. Spiegel (1989): Schaum's Outline of Theory and Problems in Statistics,Schaum's Outline Series.
4. S.P. Gupta, Statistical Methods , S. Chand & Co, 1985
5. Telugu Akademy Book, ParimanathmakaPaddathulu (For B.A.).

Suggested Activities:

Unit-1: Assignments of the application of various statistical methods
Unit-2: Student Seminar on themes requiring usage of tables, diagrams, statistical analysis and interpretation
Unit-3: Group project work for collection of data on locally relevant economic problems
Unit-4: Exercise on calculation of correlation and regression using Excel.
Unit-5: Chart Preparation on formulas of different index numbers.

5. Urban Entrepreneurship and MSMEs

Course Objective: To equip the students with the knowledge and understanding on Concepts/theories of urban entrepreneurship and provide needy skills through various appropriate concepts to establish and promote urban enterprises.

Course Learning Outcomes:

Upon completion of this course, students shall be able to achieve the following outcomes:

CO1: Explain the basic theories and essentials of entrepreneurship

CO2: Apply the theories of entrepreneurship to the conditions of local urban area and formulate appropriate business ideas.

CO3: Identify and analyze the entrepreneurship opportunities available in local urban area

CO4: Demonstrate practical skills that will enable them to identify various funding sources

CO5: Identify and evaluate the performance of local case studies by understanding the role of various supporting institutions under the existing regulations

Unit-1: Entrepreneurship: Concept and Theories

- Concept and Importance of Entrepreneurship
- Theories of Entrepreneurship: Innovations, X-Efficiency, Risk Bearing
- Women Entrepreneurship
- ECOPRENEURSHIP.

Unit-2: Urban Entrepreneurship and Business Planning

- Urban Entrepreneurial Ecosystem: Factors, Problems and Challenges
- Process of Identification of new Entrepreneurship Opportunities in Urban Areas
- Formulation of Business Planning for Urban Entrepreneurship.
- Case studies

Unit 3: MSMES and new Urban Entrepreneurship Opportunities

- Features of Micro Small Medium Enterprises (MSMEs)
- Cluster Development Approach and Leveraging Technology for MSMEs
- Problems and Challenges of MSMEs
- New Entrepreneurial Opportunities in Urban Area: Food and Beverages, Sanitary and Health Products, Solid Waste and Scrap Disposal, Tourism and Hospitality Services, Consultancy Services and Event Management, Logistic services

Unit- 4: Financing and Marketing of Urban Entrepreneurship

- Financing the Urban Entrepreneurship and MSMEs: Procedures to obtain formal loans from Banks and other Institutions
- New avenues of Finance: Crowd Funding and Venture Capital; Preparing Detailed Project Report for Loan
- Marketing of Urban Entrepreneurship and MSMEs products: Market Survey, Demand Forecasting, Marketing Strategies, Branding, Planning and Promotion, Digital and Social Media Marketing
- Public Procurement Policy to purchase MSME Products

Unit 5: Institutional Support and Case Studies of Urban Entrepreneurship

- Institutional support and skills for Urban Entrepreneurship and MSMEs
- Government Schemes for promotion of Urban Entrepreneurship and MSMEs: STARTUP INDIA, STANDUP INDIA, PMKVY, PLI etc.
- Rules and Procedures to start Urban Entrepreneurship Firm and MSME
- Discussion of two different types of Case Studies related to Urban Entrepreneurship/MSME with local relevance.

References:

1. Gordona, E and N. Natarajan: *Entrepreneurship Development*, Himalaya Publishing House Pvt Ltd, Mumbai, 2017.
2. Sharma Sudhir, Singh Balraj, Singhal Sandeep, *Entrepreneurship Development*, Wisdom Publications, Delhi, 2005.
3. NITI Aayog: *Report of Expert Committee on Innovation and Entrepreneurship*, New Delhi, 2015. https://niti.gov.in/writereaddata/files/new_initiatives/report-of-the-expert-committee.pdf
4. Reserve Bank of India: *Report of Expert Committee on Marginal, Small, Medium Enterprises*, Mumbai, 2019.https://www.rbi.org.in/Scripts/PublicationReportDetails.aspx?UrlPage=&ID=924
5. https://nimsme.org

Co-Curricular Activities:

a) Mandatory(*Training of students in the related skills by the teacher for a total 10 Hours)*

1) For Teacher: Training of students by teacher in the classroom and in the field for a total of not less than10 hours on skills and hands on experience like identification business product, making business plan, preparing DPR for loan, application for bank loan, marketing survey, marketing a product etc pertaining to any type of urban entrepreneurship of local relevance and make a field

visit to any one such unit. The expertise of practicing rural entrepreneurs can be utilized for this purposes.

2) For Student: Students shall visit and understand the functioning of urban entrepreneurship of their interest in the local area. They shall write their individual observations in the given format, not exceeding 10 pages, and submit to the teacher, as Fieldwork Report

3) Suggested Fieldwork Format (*Report shall not exceed 10 pages*):
Title Page, Student Details, Acknowledgments, Index page, Objectives, Step-wise process, Findings, Conclusion & References.
4) Max Marks for Fieldwork Report: 05
5) Unit Tests/Internal Examinations.

Suggested Activities:

Unit-1: Invited Lecture on women entrepreneurship and note making deliberation made from the lecture
Unit-2: Field trip to local industry and report submission
Unit-3 Assignment on problems and challenges of MSMEs
Unit-4: Group discussion on crowd funding
Unit-5: Seminar on various governmet schemes for promotion of urban entrepreneurship

Note: For the latest topics which have no formal material available, the teacher is expected to prepare own material by using multiple latest sources and practical knowledge.

6. INFERENTIAL STATISTICS AND SOFTWARE PACKAGES

Course Objective: This course provides theoretical knowledge and practical skills about various inferential statistics such as probabilities, test of significance, multiple regression and also skill for using software like MS Excel and SPP for data analysis.

Course Learning Outcomes:

Upon completion of this course, students shall be able to achieve the following outcomes:

CO1: Interpret the concept and theory of probability

CO2: Analyse and apply the different probability distributions

CO3: Learn and Demonstrate the skills on various tests of significance

CO4: Learn and use of multiple regression model in economics

CO5: Use Excel sheets and SPSS package to analyse the data and derive the results

Unit 1: Concept and Theories of Probability

- Concept and Definitions of Probability: Classical or Mathematical and Empirical or Statistical Axiomatic Approach to Probability
- Theorems of Probability: Addition and Multiplication (without proofs).

Unit 2: Theoretical Probability Distributions

- Binomial Distribution: Constants (without proof) and Properties and Applications
- Poison Distribution: Constants (without proof) and Properties and Applications
- Normal Distribution: Constants (without proof) and Properties and Applications
- Standard Normal Distribution, Standard Normal Curve and their Applications

Unit 3: Test of Significance - Large and Small Sample Tests

- Steps involved in Testing of Hypotheses; Testing the difference between Means and Proportions
- Large Sample or Z-Test, Small Sample Tests, Difference between them
- Applications of Student's t-test, χ^2 test, F-test
- One way and Two way ANOVA

Unit 4: Linear Multiple Regression Model

- Three Variable Linear Multiple Regression Model: Notation, Assumptions
- Estimation of Partial Regression Coefficients – Interpretation of Regression coefficients
- Testing the coefficients: t-test, p- value
- Coefficient of Determination: R^2 and adjusted R^2

Unit 5: Excel and SPSS for Data Analysis

- Excel: Worksheet, Creating Tables, Graphs and Charts
- Mathematical and Statistical Functions in Excel and Data Analysis Pack: Descriptive Statistics, Correlation and Regression
- SPSS: Introduction, Opening Excel files in SPSS, Analysis Tools: Descriptive Statistics
- Estimation of Regression Coefficients using SPSS and their interpretation.

References:

1. S. C. Gupta: Fundamentals of Statistics, Himalaya Publishing House, Bombay, 1982.
2. S. P. Gupta: *Statistical Methods,* S. Chand & Company, New Delhi, 2000.
3. K. V. S. Sharma :*Statistics Made Simple: Do it yourself on PC, (Second edn.)* Prentice Hall of India, New Delhi, 2010.
4. తెలుగుఅకాడమీప్రచురణ "పరిమాణాత్మకపద్ధతులు"
5. B. N. Gupta: *Statistics Theory and Practice,*SahityaBhavan, Agra, 1992.
6. Goon A.M., M. K. Gupta and B. Dasgupta: *Fundamentals of Statistics,* Vol.1, The World Press, Ltd, Calcutta, 1975.
7. Nagar, A.L. and R. K. Das: *Basic Statistics,* Oxford University Press, New Delhi, 1996.
8. *D N Elhance,* VeenaElhance& B M Aggarwal *Foundation of Statistics,*KitabMahal, New Delhi, 2018.
9. Relevant web resources suggested by the teacher and college librarian.

Suggested Activities:

Mandatory (*Training of students in the related skills by the teacher for a total 10 Hours)*
1) **For Teacher**: Training of students by teacher in the classroom and in the field for a total of not less than10 hours on skills and hands on experience like calculation and interpretation normal curve, Z-values, t-test, χ^2 test, F-test, ANOVA, regression results, t, p and R^2values using Excel and/or SPSS. The expertise of practicing persons can be utilized for this purposes.

2) **For Student:** Students shall take up a real time data of any economic organisation or firm and calculate the important statistical tests for the data and write the results with interpretations in the given format, not exceeding 10 pages, and submit to the teacher, as Fieldwork Report

3) **Suggested Fieldwork Format (***Report shall not exceed 10 pages*):

Title Page, Student Details, Acknowledgments, Index page, Objectives, Step-wise process, Findings, Conclusion & References.
4) Max Marks for Fieldwork Report: 05
5) Unit Tests/Internal Examinations.

Suggested Activities

Unit-1: Assignment on concept and theory of probability

Unit-2: Group discussion on comparison of various probability distribution theories

Unit-3: Exercises on solving various tests of significance

Unit-4: Project on application of multiple regression model to given a data set

Unit-5: Practical sessions on use of Excel and SPSS for data analysis.