

# NATIONAL UNIVERSITY



## Fourth Year Syllabus Department of Economics

Four-Year B.S.S. (Honours) Course  
Effective from the Session: 2013–2014

# NATIONAL UNIVERSITY

Syllabus for Four Year B.S.S. Honours Course

Subject: Economics

Session: 2013-2014

## FOURTH YEAR

Paper Code	Paper Title	Marks	Credits
242201	Money, Banking and Finance	100	4
242203	International Economics-II	100	4
242205	Research Methodology	100	4
242207	Industrial Economics	100	4
242209	Environmental and Resource Economics	100	4
242211	Population and Health Economics	100	4
242213	Economic Thought	100	4
<b>Optional (Any Two)</b>			
242215	Econometrics	100	4
242217	Economic Systems and Development Patterns	100	4
242219	Economics of Planning	100	4
242221	Islamic Economics	100	4
242222	Viva-voce	100	4
	Total=	1000	40

## Detailed Syllabus

<b>Paper Code</b>	<b>242201</b>	<b>Marks: 100</b>	<b>Credits: 4</b>	<b>Class Hours: 60 hrs.</b>
<b>Paper Title:</b>	<b>Money, Banking and Finance</b>			

### Objective

‘Money and Banking and Finance’ study the role of money in the economy, the functions that corporate firms perform through financial markets and their interrelationships. The aim of the Paper is to develop a basic understanding of the financial system including its instruments: how it operates and why it plays a central role in the economy. Keeping in view the recent developments in monetary economics, this Paper focuses less on the theory of money and banking and more on the implications of monetary policy and financial structure for the functioning of the economy.

### Paper Contents

1. **Money:** Definition and Types of Money, Functions of Money, Demand and Supply of Money, Determination of Interest Rate.
2. **Corporate Finance:** Basic Concern of the Corporate Finance, Balance Sheet Model of the Firm, Capital Structure, Contingent Claims, Agency Cost, Set-of-Contract Perspectives, Managerial Goals, Separation of Ownership and Control, Financial Market.
3. **Analysis of Statement:** Balance Sheet, Income Statement and Cash Flow Statement.
4. **Capital Budgeting:** Inter-temporal Consumption, Effect of Interest Rate Change on Consumption Preference, Principles of Lending and Borrowing, Simple and Compound Interest Rate, Corporate Investment Decisions based on Net Present Value, Pay Back Method, Discounted Pay Back Method and Average Accounting Return.
5. **Valuation of Securities:** Stocks, Bonds (Zero Coupon and Coupon), Annuity, Growing Annuity, Perpetuity, Growing Perpetuity, Dividend Discount Model (DDM) and the Estimation of the Parameters in the DDM.

6. **Risk and Return:** Defining and Measuring Risk of Securities, Measuring Average and Expected Return.
7. **Banking:** Principles of Banking, Role of Banks, Balance Sheet of Central Bank and Private Bank, Differences, Loans, Classification of Loans, Measuring Credit Risk.
8. **Role of Central Bank:** Monetary Policy, Tools of Monetary Policy and Credit Control by the Central Bank.
9. **Negotiable Instruments:** Cheque, Bill of Exchange, Promissory Note and Endorsement.

#### References:

1. Frederic S. Mishki: The Economics of Money, Banking, and Financial Markets (10<sup>th</sup> Edition), International Student Edition Textbooks.
2. Peter and Rose: Money and capital
3. Wood and wood: Financial markets
4. Khanna P: Advanced learning in money and Banking (volume 1 & 2)
5. Baye, Jansen: Money, Banking & Financial Market

<b>Paper Code</b>	<b>242203</b>	<b>Marks: 100</b>	<b>Credits: 4</b>	<b>Class Hours: 60 hrs.</b>
<b>Paper Title:</b>	<b>International Economics-II</b>			

#### Objective

The ‘International Economics-II’ is grounded in the belief that economic analysis is essential to the understanding of modern world affairs. The International Economics-II is designed to develop in students the ability to conduct innovative, well-informed, rigorous analysis of all aspects of the world economy. Whether it is used in the service of business strategy, public policy, scientific research, or any other endeavor, this ability is essential to understanding the economic forces at work in the world and making sound decisions in the face of them. All students are expected to master the theoretical tools necessary to conduct such analysis. This provides students with in-depth knowledge and opportunities for application in three main arenas in international economics: International Economic Theory and Policy, International Commerce and Finance and Economic Growth, Transition and Development.

#### Paper Contents

1. **Theory of Terms of Trade:** Definition and Classification of Terms of Trade; Terms of Trade of Bangladesh; Optimum Terms of Trade; Terms of Trade and Economic Welfare.
2. **Theory of Balance of Payments:** Foreign Trade and National Income; National Income Accounting; Balance of Payments and its Components; Balance of Payments Vs. Balance of Trade; Deficit of Balance of Payments and Methods to Balance the Balance of Payments; Balance of Payments is Always in Balance; Balance of Payments Situation of Bangladesh.
3. **Foreign Exchange Market:** Exchange Rates and Foreign Exchange Market; Demand and Supply of Foreign Exchange; Fixed and Flexible Exchange Rates; Expectations and Equilibrium; Inflation and Exchange Rate Dynamics; Purchasing Power Parity and the Long-run Exchange Rate Model; General Model of Long-run Exchange Rate; International Exchange Rate Differential and the Real Exchange Rate.
4. **Devaluation:** Definition; Causes and Objectives; Effects of Devaluation.
5. **International Financial Policy:** International Monetary System; Breton Woods System; Uruguay Round; IMF and its Functions; World Bank, ADB, IDB; Special Drawing Rights (SDR); Macroeconomic Policy and Co-ordination under Floating Exchange Rate; Performance and Policy Problems; International Investments; Financial Crisis in Developing Countries; North-South Dialogue and the New International Economic Order.
6. **International Trading and Trade Organizations:** Characteristics, Means of Operation and execution of SAPTA, ASEAN, UNCTAD, European Common Market, GATT, TICFA; World Trade Organization (WTO); Role of WTO in Developing Countries; Ministerial Conferences of WTO and Outcomes; WTO and Bangladesh.
7. **International Finance: Bangladesh Context:** Assessing Investment Climate in Bangladesh; Foreign Private Investment and Bangladesh.

## References

1. International Economics: Theory and Policy-Krugman and Obsfeld, 8<sup>th</sup> edition, Addison and Wesley.
2. International Economics – Miltiades Chacoliades, New York, McGraw Hill.
3. International Money and Finance- Melvin, 7<sup>th</sup> edition, 2002, Addison-Wesley.

<b>Paper Code</b>	<b>242205</b>	<b>Marks: 100</b>	<b>Credits: 4</b>	<b>Class Hours: 60 hrs.</b>
<b>Paper Title:</b>	<b>Research Methodology</b>			

## Objective

The primary objective of this Paper is to develop a research orientation among the students and to acquaint them with fundamentals of research methods. Specifically, the Paper aims at introducing them to the basic concepts used in research and to scientific social research methods and their approach. It includes discussions on sampling techniques, research designs and techniques of analysis. Some other objectives of the Paper are to develop understanding of the basic framework of research process, develop various research designs and techniques, and identify various sources of information for literature review and data collection, develop an understanding of the ethical dimensions of conducting applied research and appreciate the components of scholarly writing and evaluate its quality.

## Paper Contents

1. **Introduction:** Meaning of Research, Objectives, Types, Research Methods, Data, Nature of Data, Accuracy and Reliability of Data, Ethics in Research.
2. **Nature of Research:** Non-Experimental Research, Exploratory, Descriptive, Explanatory, Experimental Research: Experimental, Quasi-experimental, Basic Research, Applied Research, Action Research and Evaluation Research/Impact.
3. **Quantitative and Qualitative Methods:** Key Features of Each of the Methods, Qualitative Research Methods: Focus Group Discussion, Direct Observation, In-Depth Interviews, Rapid Rural Appraisal (RRA), Participatory Rural Appraisal (PRA), Quantitative Research Methods: Sample Survey, Generation of Models, Testing Theories and Hypotheses using Statistical Techniques.
4. **Sampling Technique:** Sample, Population, Population Census, Sample Survey, characteristics of a Good Sampling Design, Types and Tools of Sampling Design, Importance and Limitation of Sampling,
5. **The Steps of Conducting a Research:** Formulating a Research Problem; Research Questions; specification of the Mathematical Model if applicable, Constructing Hypotheses, Conducting a Study: Collection of Data, Structure of Model if applicable, Analyzing Data/Solving the Model, Estimation of the Parameters and Hypothesis Testing if Applicable, Writing a Research Report.
6. **Steps in Report Writing:** Introduction: General Discussion About the Research Questions, Identification of Research Objectives (Both Broad and Specific Objectives), Literature Review: Critical Evaluation to Identify the Research Gaps, Theoretical/Conceptual Framework, Analysis of Findings: Descriptive (Both Qualitative and/or Quantitative) Statistics and/or Inferential Statistics (Hypothesis testing using t-test, F-test,  $\chi^2$  test etc.), Limitations of the Study and Conclusion.

## References

1. Sproull N. (1995).Handbook of Social Research Methods: A Guide for Practitioners and Students in the Social Sciences. New Jersey, The Scarecrow Press, Inc.
2. Denzin NK and Lincoln YS (Eds.) (1994). *Handbook of qualitative research*. Thousand Oaks, CA: Sage. Chapter 27. Huberman, A.M. & Miles, M.B. "Data Management and Analysis Methods".

3. Graziano, Anthony and Raulin, Michael. (1996). Research Methods A Process of Inquiry, Longman, Inc.
4. Howard G. (1985). Basic Research Methods in the Social Sciences Scott, Foresman and Company.

<b>Paper Code</b>	<b>242207</b>	<b>Marks: 100</b>	<b>Credits: 4</b>	<b>Class Hours: 60 hrs.</b>
<b>Paper Title:</b>	<b>Industrial Economics</b>			

### Objective

This Paper introduces students to the terminology and tools of analysis of industrial organization. In addition, the Paper ‘Industrial Economics’ will provide an overview of the range of specialized topics addressed by the industrial economics literature like growth, profit maximization, optimum size of a firm, industrial concentration, integration, merger, diversification, location etc.

### Paper Contents

1. **Conceptual Issue:** Importance and Scope of Industrial Economic, Concept of a firm and industry and their interrelationship. Business Organization: a) Private Sector Vs. Public Sector, b) Types of Private Sector Ownership, c) Types of Public Sector Organizations.
2. **Objectives of a firm:** Growth, profit and sales maximization and nature of interrelationships between different objectives. Determinations of optimum size of the firm, Growth rate and cost curve of firm
3. **Measurement of optimum size of a firm:** Stigler's hypothesis and Survivor Technique, Economics of scale and Survivor Technique.
4. **Industrial Concentration:** Types of Concentration: Average concentration, Market concentration. Measurement of Market Concentration, Concentration Curve, Concentration ratio, Lorenz curve, Hirschman Herfindahl index, Lerner index.
5. **Integration:** Concept and types of integration, Stigler's life cycle hypothesis on vertical integration, Vertical integration and monopoly.
6. **Diversification:** Typology of diversification: Lateral diversification : Convergent lateral diversification, divergent lateral diversification, Diagonal diversification, Conglomerate diversification.
7. **Location:** Weber's theory of least transportation cost, Location of industry and regional development, Growth pole theory of F. Perroux and regional industrial development.

### Books Recommended :

- |                               |   |
|-------------------------------|---|
| 1. J. S. Bain                 | : Industrial Organization                                   |
| 2. Douglas Needham            | : Economic Analysis and Industrial Structure.               |
| 3. R.R. Birthwal              | : Industrial Economics                                      |
| 4. E.T. Penrose               | : The Theory of the Growth of a Firm                        |
| 5. W. Isard                   | : Location and Space Economy                                |
| 6. Amarjit Singh & A.N. Sadhu | : Industrial Economics                                      |
| 7. D. Needham (eds)           | : An Introduction to Industrial Economics                   |
| 8. Report of the Task Force   | : Bangladesh Development strategies for the 1990's. Vol Two |
| 9. Azizur Rahman Khan         | : The Strategy of Development in Bangladesh.                |

<b>Paper Code</b>	<b>242209</b>	<b>Marks: 100</b>	<b>Credits: 4</b>	<b>Class Hours: 60 hrs.</b>
<b>Paper Title:</b>	<b>Environmental and Resource Economics</b>			

**Objective:** Students will be able to apply economic theory to environmental sustainability, to understanding the conflict between market forces and environmental integrity, to develop critical

understanding of different ways in which economic decisions, market forces and government policies can affect environment and to develop critical understanding how consumer market and business initiative can lead a way into sustainable environment

**Paper Contents**

- 1. The Evolution of Environmental and Resource Economics:** The Approach to the Economic Analysis of Natural Resources and the Environment Economic Paradigms and Environment, Fundamental Features of Economic Approaches to Natural Resource and Environmental Issues.
- 2. The Sustainable Economy:** Origin and Concepts of Sustainability and the Issues related to Sustainable Development.
- 3. Ethics and Environment:** Ethical Foundations for Environmental Economics, Rationale and Principles of Discounting Environmental Value and A Critique of the Discounting Methods and Principles.
- 4. The Efficient and Optimal Use of Environmental Resources:** Property Rights, Common Property Resources and Environmental Resources, Efficiency Issues, Environmental Resources and Markets, Externalities and Public Policies.
- 5. Theory of Efficient and Optimum Use of Renewable and Non-Renewable Resources:** Fundamental Principles and Models of Renewable and non-renewable natural Resources.
- 6. The Economics of Pollution:** Sources, Types and Levels of Population Problems, Pollution Control Policies and Implications for growth and equity.
- 7. Valuing the Environment:** Environmental Demand Theory, Measuring the Costs of Provision, Total Economic Value, Benefits of improving an environmental amenity, Methods: productivity loss, defensive, mitigating, travel cost, hedonic pricing and contingent valuation, Valuation and Policy Relevance.

**Reading Lists**

- 1. Baumol, W. J. & Oates, W. E, 2000. *The Theory of Environmental Policy*. Cambridge University Press.
- 2. Field, B. C. and Field, M. K. 2006. *Environmental Economics*. McGraw-Hill/Irwin.
- 3. James R. Kahn, 2004, *The Economic Approach to Environmental and Natural Resources*. Thomson – Southwestern.
- 4. Kolstad, C. D. 2010. *Environmental Economics*. Oxford University Press.
- 5. Nick Hanley, Shogren ,J.F. and White, B. 2007. *Environmental Economics: In Theory and Practice*. Palgrave Macmillan.

<b>Paper Code</b>	<b>242211</b>	<b>Marks: 100</b>	<b>Credits: 4</b>	<b>Class Hours: 60 hrs.</b>
<b>Paper Title:</b>	<b>Population and Health Economics</b>			

**Objective**

The learning outcomes for students include the development of a thorough knowledge of the theory and methods used by professional population and health economists and active researchers in the field and their important contemporary contributions in international scholarly journals. Students will gain an understanding of the key analytical arguments that are used in population and health economics and their normative foundations and ethical implications. Further, they will acquire extensive knowledge of the nature and sources of socio-economic data, current challenges and major areas of research, and the role of observation, abstraction, and model construction to facilitate empirical evaluation.

Paper Contents

- 1. **Introduction to Health Economics:** Subject matter of Health Economics, application of economics to health and health care, Is health care different?
- 2. **Health Production:** The Determinants of Health, Production function of Health.
- 3. **Demand for Health:** The demand for health, labour-leisure trade-offs, investment/consumption aspects of health, the demand for health capital, an integrated framework of Grossman model.
- 4. **Asymmetric Information and Agency, Supplier Induced Demand:** Asymmetric information, The agency relationship, the need to consider SID, common representation of SID, price rigidities and SID, target income model of SID, disutility of discretion model of SID, profit maximizing model of SID, health, health care and advertising, optimum level of advertising.
- 5. **Health Care Financing:** Risk and insurance, demand for insurance, supply of insurance, the case of moral hazard, coinsurance and deductibles.
- 6. **Equity, Efficiency:** Efficiency and competitive markets, promoting competition in the health sector, Principals of Equality and Equity in health and health care need and need-based distribution.
- 7. **Economic Evaluation of Health Care:** Quantification of Benefits and Monetary Valuation of Health Benefits: (A) Cost analysis: Fixed and variable, recurrent and capital, opportunity cost, animalization, discounting. (B) Cost-benefit analysis (CBA): Concept and methods of conducting CBA. (C) Cost-effectiveness analysis (CEA): Concept, measuring incremental cost-effectiveness ratio, measuring Disability Adjusted Life Years (DALY). (D) Cost-utility analysis (CUA): Concept of quality in health care provision, Measuring Quality-Adjusted Life Years (QALYs), Is CUA different from CEA?

References

1. Folland, S., Goodman, A.C. and Stano, M. 2004: *The Economics of Health and Health Care*, Macmillan.

2. Jacob P. 1991. *The Economics of Health and Medical Care*, Aspen Publishers Inc.

3. H Gravelle and P Rees. 1981. *Microeconomics*, Longman.

4. A.J.Culyer and J.P. Newhouse. 2000. *North-Holland Handbook of Health Economics*, Elsevier.

5. McGuire A, Henderson J and Mooney G. 1988. *The Economics of Health Care: an introductory text*. London, Routledge and Kegan Paul.

6. Killingsworth J, Hossain N, Hedrick-Wong Y, Thomas S D, Rahman A, Begum T. 1999. Unofficial fees in Bangladesh: price, equity and institutional issues *Health policy and planning* 14 (2) pp 152-163.

7. HEU. 2001. *Financing the health and population sector-resource projections*, Health Economics Unit, MOHFW, Research Report 23.

M. F. Drummond, B. J. O’Brein, G. L. Stoddart, G. W. Torrance (1997), *Methods for the Economic Evaluation of Health Care Programmes*, Oxford University Press.

Paper Code	242213	Marks: 100	Credits: 4	Class Hours: 60 hrs.
Paper Title:	Economic Thought			

**Objective:** Students will be able to trace the origins of economic thought in the ancient world and its influence on subsequent schools of thought, including the scholastics and the emergence of early modern (Classical) economics. They will be able to discuss the links between the evolution of Western economies and the emergence of economics as a distinct discipline. Students will be able to define and discuss the mercantilist, early institutionalist, and heterodox schools of economics, including Marxian theory, which have challenged mainstream economics. This Paper will help the students to trace the development of neoclassical marginalism, and to identify the areas of agreement and disagreement between the classical and neoclassical approaches in economics. Students will be able to discuss the historical context and

content of the Keynesian revolution, as well as the subsequent developments and criticisms of Keynesianism.

## Paper Contents

- 1. Medieval Economic Thought:** Structure of the Medieval Society, Development of Scholasticism, Characteristics of Medieval Economy (Agriculture, Industry and Trade).
- 2. Emergence of Mercantilism:** Mercantilist Economic Thought with special reference to Thomas Mun, William Petty, Phylip von Honrick
- 3. Fundamental Ideas of Physiocrats:** Advocates of physiocrats, Francois Quesnay, Anne Robert Jacques Turgot, Boisguillebert, and Quesnay's Tableau Economique.
- 4. Classical Economic Thought:** Adam Smith and Classical economic Thought, A. Smith's Criticism of Mercantilist and Physiocracy, David Ricardo on Rent, Labor, Value and International Trade, Mathausian Theory of Population.
- 5. Reaction Against Classical Ideas:** Maxian School, Historical School, Marginal School of Economic Ideas.
- 6. John Maynard Keynes and Great Depression of Thirties:** Keynesian Revolution and the Development of New Economic Thought, Schumpeter's Theory of Economic Development, Marx, Keynes and Schumpeter.
- 7. Post Keynesian Economic Ideas:** Friedman and Chicago School.
- 8. Islamic Economic Ideas:** Development of Islamic Economic Thought, Ibn Khaldun, Ibn Taimiyah, Abu Yousuf, Islamic Economic Institutions, Modern Trend of Thought.

## References

1. Blaug, M. (1991), *Economic Theory in Retrospect*, 5th ed., Cambridge University Press.
2. Negishi, T. (1989), *History of Economic Theory*. North-Holland.
3. Ekelund, R., R. Hebert, (1990), *A History of Economic Theory and Method*. McGraw Hill.
4. Schumpeter, J. (1954), *A History of Economic Analysis*. Oxford University Press.
5. Snowden, Brian, et.al.,(1994), *A Modern Guide to Macroeconomics: An Introduction to Competing Schools of Thought*.

<b>Paper Code</b>	<b>242215</b>	<b>Marks: 100</b>	<b>Credits: 4</b>	<b>Class Hours: 60 hrs.</b>
<b>Paper Title:</b>	<b>Econometrics</b>			

## Objective

Students will be able to demonstrate an understanding of the basic concepts in econometrics, to relate economic questions to empirical observations and try to deal with those using econometric models based on sound hypotheses, to have a working knowledge of a statistical software and use it to address empirical questions and to demonstrate the ability to apply econometric principles by writing a quality paper and giving oral presentations of the findings of the paper.

## Paper Contents:

- 1. Introduction to Econometrics:** Meaning of Econometrics, Importance as a Separate Discipline, Methodology of Econometrics, Understanding Econometric Modeling, Regression, Two Variable Regression Model, Population Regression Function, The Sample Regression Function.
- 2. Estimation of and Inference in Two Variable Regression Model:** The Method of Ordinary Least Squares (OLS), Standard Errors of Estimation, Estimation of the Variance of the Disturbance terms, The Properties of the Estimation, The basic Assumptions underlying the method of OLS, The Gauss-Markov Theorem, Goodness to Fit, The Central Limit Theorem, Properties of OLS Estimators under Normality Assumptions , The T, Chi-square and F Distribution, Hypothesis Testing, Confidence Interval Approach, and test of significance Approach, The Model Validity Test, Regression Through the Origin, Scaling and Units of



Measurement, Different Functional Forms of Regression Models( Double Log Model, Semi Log Model, Reciprocal Model ), Interpretation of Estimated Parameters, Measurement of Elasticity, Point and Interval Forecasting, Some Illustrative Examples.

3. **Estimation of Multiple Regression Model:** The Matrix Approach to Linear Regression Model, Assumptions of Classical Linear regression Model in Matrix Notation, OLS Estimation, Variance-Covariance Matrix of the Estimators, R Square and Adjusted R Square, Hypothesis Testing of Equality of Two regression Coefficients, Validity of The Model, Restricted Least Squared, Comparing Two Regressions, Testing Functional Forms of Regression, Forecasting with Multiple Regression.
4. **Regression with Dummy Variables:** Qualitative and Quantitative Variables, Some Illustrative Example of Regressions on Dummy variables, Testing the Structural Stability of Regression Models, Comparing Two Regressions with Dummy Variable Approach, Capturing the Interaction Effects, Use of Dummy Variables in Seasonal Analysis.
5. **Multicollinearity:** Consequences, Detection and Remedial Measures of Multicollinearity.
6. **Heteroscedasticity:** Consequences, Detection and Remedial Measures of Heteroscedasticity.
7. **Auto Correlation:** Consequences, Detection and Remedial Measures of Auto Correlation.
8. **Specification Errors:** Types of Specification Errors: Omission of Relevant Variable, Inclusion of Irrelevant Variable, Adopting a Wrong Functional Form, Errors of Measurements, Consequences and Test of Specification Errors, How to Choose A Good Model.
9. **Regression of Dummy Dependent Variable:** The LPM, Logit and Probit Model, Their Estimation, Some Applications.
10. **Demonstration of Statistical Packages for Social Science (SPSS/ STATA/E-Views)**

## References

1. Gujarati, D. 2003. *Basic Econometrics*, McGraw Hil.
2. Wooldridge, Jeffrey M. 2005. *Introductory Econometrics: A Modern Approach*, 3rd edition, South-Western College Pub.

<b>Paper Code</b>	<b>242217</b>	<b>Marks: 100</b>	<b>Credits: 4</b>	<b>Class Hours: 60 hrs.</b>
<b>Paper Title:</b>	<b>Economic Systems and Development Patterns</b>			

**Objective:** The students will be familiarized with the different economic systems like primitive communal, economy of slavery, feudal and capitalist economic system. They will also learn the history of each economic system and the development pattern of those economic systems.

## Paper Contents

1. **Subject Matter and Methodology:** Concept of economic system and socio-economic formation (5 systems), Subject-matter of political economy: Classical, physical, neo-classical, and radical schools (An excursion), Interrelationship between production, exchange, distribution and consumption (PEDC), Concept of production relations and mode of production, Economic categories and economic laws, Methodology: Method of scientific abstraction, Despondence from abstract to the concrete, Unity of logical and historical methods analysis and synthesis etc.
2. **Primitive Communal Economy (System without economic exploitation):** Anthropological history of human being, The food-gathering economy (Palaeolithic savagery), Two stages in the development (appropriation and reproductive economies), Development of productive forces (division of labour), Principal economic law and production relations, Economic law and production relations, Contradictions of the primitive-communal economy, Erosion and Disintegration of primitive economy.
3. **Economy of Slavery (First system based on economic exploitation):** Origin of slave economy, Objective basis and different types of slavery. Slavery as a global system, Productive forces and large-scale production (latifundia and ergasteria), Principal economic law and production relations under slavery, Usury and trade capital under slavery, Contradictions and erosion of the slavery economic system.

4. **Feudal Economic system:** Dual origin of feudalism, Different types of feudal bondage, Productive forces under feudalism, Principal economic law and agricultural rents under feudalism, Usury and trade capital under feudalism, Contradiction of feudalism and its disintegration.
5. **Capitalist Economic System:** Pre-Monopoly Capitalism: Commodity and money, Theory of value (Classical and radical views), Conversion of money into capital. General theory of capital, Theory of surplus value: Absolute and relative surplus value, Wage: Essence and forms, Law of accumulation. Metamorphosis and circuit of capital, Composition of capital: Constant and variable, fixed and circulatory, Theory of reproduction (simple and extended), Transformation of surplus value into profit, Rent and interest.
6. **Economy of Societies of the Middle Ages:** English manorial system; medieval crafts and guilds; Enclosure movement and the agrarian revolution in England, A brief survey of the economic conditions prior to the Meiji Restoration in Japan, Orientation, feudalism-example of the Indian Sub-continent.
7. **Economic of Modernization: The Capitalist Path:** Development of Indian economy: Colonial and post-colonial periods, Industrial revolution in England-causes and consequences, Comparative economic situation of UK Germany Italy, Holland and Spain in the early 19<sup>th</sup> century, Industrialization process in Japan-the special role of agriculture, Small scale and cottage industry, foreign trade, Zaibatsu government.

## References

1. Fusfeld D., *The Age of the Economist*.
2. Ilyin and Motylev, *What is Political Economy?*
3. Kozlov, *Political Economy of Capitalism*.
4. Burkitt Brian, *Radical Political Economy: An Introduction to the alternative Economics*.
5. Abalkin, *Short Paper on Political Economy*.
6. Ryndina, *Fundamentals of Political Economy*.
7. Seligman B (ed.), *Basis of Political Economy*.
8. Mendel Ernest, *Political Economy of Capitalism*.
9. Barkat, A., *On Asiatic Mode of Production* (in Dhaka University Studies: *Dhaka Visvavidyalaya Paatrika*, Vol. XXII, June 1985; XXVI, October 1986; Vol. XXVII, February 1987).
10. Schumpeter, *History of Economic Analysis*.
11. Sen A.K., *Development as Freedom*.
12. Marx K., *Contribution of the Critique of Political Economy* (Preface).
13. Marx K., *Capital*.
14. Marx K., *Pre Capitalist Economic Formations (GRUNDRISSE)*.
15. Engels, F., *Anti-Duhring*.
16. Lenin VI, *Imperialism-the Highest Stage of Capitalism*.
17. Bernal, J.D., *Science in History*.
18. Ankin, A., *Science in its Youth*.
19. Barkat, A., *Development of Capitalism in USA* (in Dhaka University Studies: *Dhaka Visvavidyalaya Patrika*, Vol. XXIX February 1986).

<b>Paper Code</b>	<b>242219</b>	<b>Marks: 100</b>	<b>Credits: 4</b>	<b>Class Hours: 60 hrs.</b>
<b>Paper Title:</b>	<b>Economics of Planning</b>			

## Objective

With the completion of the Paper the student should be able to understand the concepts of social and economic development & social and economic planning in a demographic and socio-economic context. They will be able to grasp the methods and techniques of economic forecasting adopted in social planning and will be able to apply these methods and techniques to practical data.

## Paper Contents

- 1. Introduction:** Concept of planning, Definition and techniques of planning, instruments of planning and role of various policy variables, Planning under different Economic systems.
- 2. Macro Level Planning:** Sectoral, regional and project planning stages of planning, Macro economic planning as a system and its different subsystems, Policy instruments, Target variables and data variables and their interrelations, Planning Investment, Saving and growth rate, Forecasting and Economic simulation planning the rate of growth, Rate of growth, Rates of saving and investment-Harrod-Domar and Feldman–Mahalanobis model models.
- 3. Sector Stage of Planning:** Planned input-output model an overview – Planning and projecting technical matrix and final demand, Optimization problem, Criteria for optimality planning some specific sectors – machine, Building and energy.
- 4. Project Appraisal:** Criteria of selecting projects, the Classical basis of project and appraisal, Project appraisal under risk and uncertainty, Economic valuation of costs and benefits of a Land and Natural resources (Labor, Capital); Writing Project Problem Statement, Setting Project Goal, Objectives and Project Description.
- 5. Plan Implementation:** Resource mobilization and Problems relating to it instrumental and Administrative requirements for implementing plans.
- 6. Planning Experience in Different Countries:** Western European countries, socialist countries and under developed countries.
- 7. Planning in Bangladesh:** Process, Prospect and Retrospect, Annual planning, five-year planning and perspective planning, Planning models and Planning experiences in Bangladesh, Planning structure and execution of Bangladesh, NEC, ECNEC, Structure of planning commission in Bangladesh.

## Books Recommended:

1. M. L. Seth: *Theory and Practice of Economic Planning*, 7<sup>th</sup> or latest edition
2. Charles Blitzer, edited by Shri Bhagwan Dahiya, *Theoretical foundations of development planning*.
3. Samuel Stebbins Bowles, 1969. *Planning Educational Systems for Economic Growth*. Harvard University Press, M.A
4. Carter A. P. and Brody A., *Application of Input-output Analysis*, Vol. 2
5. Fontela E. Leontief and the Future of the World Economy, in Dietzenbacher E. and M. Lahr (eds.), *Wassily Leontief and input-output economics*. Cambridge, Cambridge University Press, 2004.
6. Ashok Rudra, *Indian Plan Models*, Allied Publishers Private, 1975 - India .
7. Nancey G. (Green) Leigh, *Edward J. (James) Blakely, Planning Local Economic Development: Theory and Practice*
8. Sixth Five Year Plan in Bangladesh (FY2011-FY2015), Ministry of Planning, Bangladesh.
9. Fifth Five Year Plan in Bangladesh, Ministry of Planning, Bangladesh.
10. Perspective Plan (2010 – 2021) in Bangladesh, BBS

<b>Paper Code</b>	<b>242221</b>	<b>Marks: 100</b>	<b>Credits: 4</b>	<b>Class Hours: 60 hrs.</b>
<b>Paper Title:</b>	<b>Islamic Economics</b>			

## Objective

The main objective of the Paper is to comprehend the analysis of economic theory and practice with the Islamic way of life and spiritual thinking. This Paper based on the concept of normative approach of Islamic ideology. Learner will get the ideas about economic theory and outcomes formulated by Islamic thought. Further, they will acquire extensive knowledge of the nature and sources of socio-economic challenges.

## Paper Contents

- 1. Conceptualization:** Teachings of the Quran and the Hadith about economic activities. Fundamental principles of Islamic Economics; Outline of Islamic Economics. Distinction between Islamic Economics and Conventional Economics.

2. **Production in Islamic society:** Production organization, Production Relations, Islamic Theory of Demand and Supply-Factory pricing and income distribution; rent, wage & profit. Role of state in production, savings and investment.
3. **Consumption in Islamic society:** Theory of Consumer behavior in Islam consumption, spending, consumption functions; distribution and redistribution.
4. **Capital and financing in Islam:** Riba vs interest; capital formation; Islamic banking, modes of accumulation of funds and investment, Profit and loss sharing in Islam. Comparison of Islamic and Conventional Banking, Islamic Development Bank. Islamic insurance-characteristics and functions.
5. **Trade and Commerce:** Islamic concepts; prohibited activities in trade; International trade; Islamic common market-Problems and prospects; WTO and the Muslim World.
6. **Public Finance in Islam:** Public Finance in Islamic days-Sources of revenue and heads of expenditure, provision of public good. Baitul mal, Zakat, Taxes, State and distributive justice, Islamic fiscal policy; Role of Zakat in income distribution and poverty alleviation.
7. **Social welfare in Islam:** Concept of social welfare-Social vs economic welfare; welfare for self vs welfare for the oppressed; role of state in social welfare. Place of Women in Islam, sphere of economic activities of women in Islam.
8. **Islamic Economic Thought:** Development of Islamic economic thought; Ibn Khaldun, ibn Taimiyah-Abu Yousuf; Islamic economic institutions.

**Books Recommended:**

1. Khurshid Ahmed (ed): Studies in Islamic Economics
2. Islamic Economics Research Bureau: Text Book on Islamic Banking
3. Nejatullah Siddique: Banking without Interest
4. Nejatullah Siddique: Economic Enterprise in Islam
5. Siddiqi, S. A. : Public Finance Islam
6. Khurshid Ahmed: Economic Development an Islamic Framework

<b>Paper Code</b>	<b>242222</b>	<b>Marks: 100</b>	<b>Credits: 4</b>	
<b>Paper Title:</b>	<b>Viva-voce</b>			