

NORTH-EASTERN HILL UNIVERSITY
Under Graduate Economics Syllabus Under Semester System as Approved by the
Academic Council, NEHU on 17-05-2017 (with effect from July 2017)

This paper provides some knowledge on basic tools of statistics and methods in analysing various economic phenomena in terms of consumers, producers and market behaviour.

Paper – VII

STATISTICS

Unit-I

Central Tendency and Dispersion: Measures of Central Tendency: Mean, Median, Mode, Geometric Mean and Harmonic Mean. Measures of dispersion: Range, Mean Deviation, Standard Deviation, Coefficient of Variation, Quartile deviation, Lorenz Curve, Skewness and Kurtosis.

Unit-II

Correlation and Regression: Correlation: Scattered diagram; Coefficients of correlation: Karl Pearson and Rank Correlation; Simple Linear Regression: Least Squares method, Interpretation of regression coefficients (two variables only).

Unit-III

Time Series: Time series analysis: Concept and Components: determination of Regular trend - Moving Average and Curve Fitting.

Unit-IV

Index Numbers: Concept, price relative, quantity relative, value relative, Laspeyres's Index, Paasche's Index and Fisher's index. Problems in the construction and limitations of index numbers; Tests for ideal index number.

Unit-V

Probability and Sampling: Probability: Concept, Rules of Probability (Addition and Multiplication); Random variables, Mathematical expectations, Theoretical distributions: Binomial, Poisson and Normal – their properties and uses. Sampling: Simple, Random, Stratified, Systematic and Cluster Sampling.

Suggested Readings:

- Goon, A.M., M.K. Gupta and B. Dasgupta (2005), *Fundamentals of Statistics, Vol. I & II*, The World Press Ltd., Kolkata.
- Das, N. G. (2009), *Statistical Methods*, Vol. I & II, Tata McGraw-Hill Education, New Delhi.
- Goon, A.M., M.K. Gupta and B. Dasgupta (Latest edn.), *Basic Statistics*, The World Press Ltd., Kolkata.
- Hooda, R. (2013), *Statistics for Business and Economics*, Vikas Publishing House.
- Kendall, M.G. and Stuart, Alan (2009), *The Advanced Theory of Statistics, Vol. I, II, III*, Wiley.
- Medhi, J. (2009), *Statistical Methods: An Introductory Text (2e)*, New Age International, New Delhi.
- Nagar, A.L. and R.K. Das (1997), *Basic Statistics (2e)*, Oxford University Press, New Delhi.
- Gupta, SC and VK Kapoor (2002), *Fundamentals of Mathematical Statistics*, Sultan Chand & Sons.

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This paper is structured to impart knowledge on how the fiscal policies of the government affect the macro-economic objectives of allocative efficiency, distributive justice and economic stability.

Paper-VIII

PUBLIC ECONOMICS

Unit-I

Introduction to Public Economics: Public Economic Policy Issues: Allocation, Distribution and Stabilization; public goods, private goods and merit goods; Methods of Supply of Pure Public Goods, Free Riding; Externalities: the Problem and its Solutions; Market Failure.

Unit-II

Theories of Taxation: Basic Concepts, Classification of Taxes and Canons, Taxable Capacity; Welfare Cost of Taxation, Partial and General Equilibrium Analysis, Tax Incidence of taxes, Tax-Subsidy Capitalization; Recent Tax Reforms – VAT and GST.

Unit-III

Theories of Public Expenditure: Canons and Effects of Public Expenditure; Classical Theory, Principles of Maximum Social Advantage, Bowen's Model; Samuelson's Benefit Theory of Public Expenditure; Musgrave's Optimum Budget Theory, Structure and Growth of Public Expenditure with respect to India.

Unit-IV

Fiscal Policy and Fiscal Federalism: Objectives of fiscal policy; interdependence of fiscal and monetary policies; budgetary deficit and its implications; Balanced Budget Multiplier; Fiscal federalism in India; Inter-governmental Transfer; Finance Commission (latest); Devolution of resources and grants.

Unit-V

Public Debt and Budget: Sources of Public borrowing; effects of public debt; methods of debt redemption; growth of India's public debt; Budget: kinds of budget, economic and functional classification of budget, preparation and passing of budget in India.

Suggested Readings:

- Atkinson, A. B. and J.E. Stiglitz (1980), Lectures on Public Economics, Tata McGraw Hill, New York.
- Auerbach, A.J. and M. Feldstein (eds.) (1985), Handbook of Public Economics, Vol. 1, North Holland Amsterdam.
- Buiter, Willem H. (1990), Principles of Budgetary and Financial Policy, The MIT Press.
- Ghosh, A. and G. Chandana (2008), Economics of the Public Sector, Prentice Hall of India Pvt. Ltd., New Delhi.
- Government of India, Economic Survey (Annual), New Delhi.
- Hyman, D. N. (2007), Public Finance: A Contemporary Application of Theory to Policy, Thomson Asia.
- Jha, R. (1998), Modern Public Economics, Routledge, London.
- Lipsey, R. and A. Chrystal (2011), Economics, Oxford University Press, New York.
- Mishra, B. (2006), Fiscal Policy in North-East India, Akansha Publishing House, New Delhi.
- Musgrave, Richard A. (1959), The Theory of Public Finance, Tata McGraw Hill, New York.
- Purohit, Mahesh (2001), Value Added Tax, Gayatri Publications.
- Srivastav, D.K. (ed.) (2000), Fiscal Federalism in India, Har Anand Publications Ltd., New Delhi.
- Stiglitz, J. E. (1986), Economic of Public Sector, Norton, New York.
- Ulbrich, H. (2004), Public Finance in Theory and Practice, Thomson Asia Pvt. Ltd., Singapore.