

## 1. Introduction

Department of Economics of the University of Kelaniya has been conducting Master of Arts (MA) and Master of Social Sciences (MSSC) degree programs since 1998. The courses have been prescribed according to the general regulations for postgraduate degrees offered by the Faculty of Social Sciences, University of Kelaniya.

Master of Arts Degree Program in Economics by Course Work	<i>One Year Degree Program</i>
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Master of Social Sciences Degree Program in Economics by Research (Course Work + Thesis)	<i>Two Years Degree Program</i>
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## 2. Entry Qualifications

### **Master of Arts in Economics (MA)**

Bachelor's Degree (General or Special) from a recognized university with Economics as a subject or any other academic or professional qualifications approved by the Board of Study, Faculty of Social Sciences and by the University Senate.

### **Master of Social Sciences Degree Program in Economics (MSSC)**

Bachelor's Degree (Special) with a Class from a recognized university with Economics as a subject or any other academic or professional qualifications approved by the Board of Study, Faculty of Social Sciences and by the University Senate.

## Course Units

### Master of Arts (Economics) Degree Program

<b>Course code</b>	<b>Course Unit Title</b>	<b>Type</b>	<b>Credits</b>
ECON 53015	Advanced Economic Theory – Microeconomics	C	5
ECON 53025	Advanced Economic Theory – Macroeconomics	C	5
ECON 53035	Mathematics and Statistics	C	5
ECON 53045	Economic Thought, Growth and Development of Sri Lanka	C	5
ECON 53055	Monetary Economics and Public Finance	O	5
ECON 53065	Project Analysis and Management	O	
ECON 53075	Resource Economics and Natural Resource Management	O	
ECON 53085	International Trade and Commercial Policy	O	
ECON 53095	Econometrics	O	
ECON 53105	Research Methods for Economics	O	5
ECON 53115	Independent Dissertation	O	
	Total Number of Credits		30

C = Core course unit

O = Optional course unit

## Master of Social Sciences (Economics) Degree Program

<b>Course code</b>	<b>Course Unit Title</b>	<b>Type</b>	<b>Credits</b>
ECON 53015	Advanced Economic Theory – Microeconomics	C	5
ECON 53025	Advanced Economic Theory – Macroeconomics	C	5
ECON 53035	Mathematics and Statistics	C	5
ECON 53045	Economic Thought, Growth and Development of Sri Lanka	C	5
ECON 53055	Monetary Economics and Public Finance	O	5
ECON 53065	Project Analysis and Management	O	
ECON 53075	Resource Economics and Natural Resource Management	O	
ECON 53085	International Trade and Commercial Policy	O	
ECON 53095	Econometrics	O	
ECON 53105	Research Methods for Economics	C	5
ECON 6301W	Thesis	C	30
Total Number of Credits			60

C = Core course unit

O = Optional course unit

### **3. Course Structure**

#### **Master of Arts Degree in Economics (MA) - One Year Degree Program**

This degree program consists of,

- i. Four compulsory course units (ECON 53015, ECON 53025, ECON 53035, ECON 53045) and
- ii. One optional course units from (ECON 53055, ECON 53065, ECON 53075, ECON 53085, ECON 53095) together with
- iii. ECON 53105 course unit (Research Methods for Economics) or a dissertation with 8000 – 10 000 words.

#### **Master of Social Sciences Degree in Economics (MSSc) – Two Year Degree Program**

##### **Year 1**

This program consist of,

- i. Four compulsory course units (ECON 53015, ECON 53025, ECON 53035, ECON 53045) and
- ii. One optional course unit from (ECON 53055, ECON 53065, ECON 53075, ECON 53085, ECON 53095) together with
- iii. ECON 53105 course unit (Research Methods for Economics).

**And**

##### **Year 2**

In the second year, all candidates must produce a research thesis. The thesis should be based on an original research under a topic approved by the Board of Study (BoS) of the Faculty of Social Sciences and the University Senate. Supervisor/s for each research student will be appointed by the Board of Study (BoS) of the Faculty of Social Sciences, and by the University Senate.

Viva voce Examination will be held after evaluation of the thesis by examiners appointed by the Board of Study (BoS) of the Faculty of Social Sciences, and by the University Senate.

## **4. Postgraduate Criteria**

### **4.1 Postgraduate Certificate (Economics)**

#### **Eligibility for the Award of a Postgraduate Certificate**

- i. For award of a Postgraduate Certificate, a student must accumulate grades of B<sup>-</sup> (B minus) or better in course units aggregating to at least 20 credits within three consecutive academic years with a GPA of 2.70 or greater.
- ii. For award of a Postgraduate Certificate with Merit, a student must accumulate Grades of B<sup>-</sup> (B minus) or better in course units aggregating to at least 20 credits within one academic year with a GPA of 3.70 or greater, **and** obtain grades of A or better in course units aggregating to at least 50% of total credits for the course units considered above.
- iii. A student who does not obtain a grade B<sup>-</sup> (B minus) or better in particular course unit may re-sit the examination of that course unit in the following academic year in order to improve the grade. The best grade obtainable by a student in this instance would be B<sup>-</sup> (B minus). In the event a student obtains a lower grade while attempting to better the grade, he/she will be entitled to the previous grade.

## **4.2 Postgraduate Diploma (Economics)**

### **Eligibility for the Award of a Postgraduate Diploma**

1. For award of a Postgraduate Diploma, a student must accumulate grades of B<sup>-</sup> (B minus) or better in course units aggregating to at least 25 credits within three consecutive academic years with a GPA of 2.70 or greater.
- ii. For award of a Postgraduate Diploma with Merit, a student must accumulate Grades of B<sup>-</sup> (B minus) or better in course units aggregating to at least 25 credits within one academic year with a GPA of 3.70 or greater, **and** obtain grades of A or better in course units aggregating to at least 50% of total credits for the course units considered above.
- iii. A student who does not obtain a grade B<sup>-</sup> (B minus) or better in a particular course unit may re-sit the examination of that course unit in the following academic year in order to improve the grade. The best grade obtainable by a student in this instance would be B<sup>-</sup> (B minus). In the event a student obtains a lower grade while attempting to better the grade, he/she will be entitled to the previous grade.

*Note: A student who fulfills these requirements stipulated under 5.1 above may be considered by the Board of Examiners for the award of Postgraduate Certificate.*

## **4.3 Master's Degree (Economics) by Course Work**

### **Eligibility for the Award of the Master's Degree by Course Work**

- i. For award of a Master's Degree by Course Work, a student must accumulate grades of B<sup>-</sup> (B minus) or better in course units

aggregating to at least 30 credits within three consecutive academic years with a GPA of 2.70 or greater.

- ii. For award of a Master's Degree with Merit, a student must accumulate grades of B<sup>-</sup> (B minus) or better in course units aggregating to at least 30 credits within one academic year with a GPA of 3.70 or greater, **and** obtain grades of A or better in course units aggregating to at least 50% of total credits for the course units considered above.
- iii. A student who does not obtain a grade B<sup>-</sup> (B minus) or better in a particular course unit may re-sit the examination of that course unit in the following academic year in order to improve the grade. The best grade obtainable by a student in this instance would be B<sup>-</sup> (B minus). In the event a student obtains a lower grade while attempting to better the grade, he/she will be entitled to the previous grade.

*Note: A student who fulfills the requirements stipulated under 5.1 and 5.2 above may be considered by the Board of Examiners for the award of Postgraduate Certificate or Postgraduate Diploma respectively.*

#### **4.4 Master of Social Sciences Degree (Economics) by Research**

##### **Eligibility for the Award of the MSSc Degree**

- i. For award of a MSSc Degree a student must accumulate grades of B<sup>-</sup> (B minus) or better in course units aggregating to at least 60 credits of which at least 30 credits must four consecutive academic years with a GPA of 2.70 or greater.

- ii. For award of a MSSc Degree with Merit, a student must accumulate grades of B<sup>-</sup> (B minus) or better in course units aggregating to at least 60 credits of which at least 30 credits must be from each academic year within two consecutive academic year with a GPA of 3.70 or greater, **and** obtain grades of A or better in course units aggregating to at least 50% of total credits for the course units considered above and complete the relevant requirements within a period of two consecutive academic years.
- iii. A student who does not obtain a grade B<sup>-</sup> (B minus) or better in a particular course unit may re-sit the examination of that course unit in the following academic year in order to improve the grade. The best grade obtainable by a student in this instance would be B<sup>-</sup> (B minus). In the event a student obtains a lower grade while attempting to better the grade, he/she will be entitled to the previous grade.

*Note: A student who fulfills the requirements stipulated under 5.1, 5.2 and 5.3 above may be considered by the Board of Examiners for the award of Postgraduate Certificate, Postgraduate Diploma or Master's Degree with Course Work respectively.*

## **5. Grade Point Average**

Grade Point Average (GPA) is the credit-weighted arithmetic mean of the grade point values. The GPA determined by dividing the total credit-weighted grade point value by the total number of credits.



For example, a student who has completed six course units each of 5 credits with grads A, A-, B+, B, C+, and C respectively, would have the GPA:

$$\begin{aligned}
 &= \frac{5 \times 4.0 + 5 \times 3.7 + 5 \times 3.3 + 5 \times 3 + 5 \times 2.3 + 5 \times 2}{5 + 5 + 5 + 5 + 5 + 5} \\
 &= \frac{20 + 18.5 + 16.5 + 15 + 11.5 + 10}{30} \\
 &= \frac{91.5}{30} \\
 &= 3.05
 \end{aligned}$$

## 6. Grading System

Range of Marks	Grade	Marks Levels
85-100	A+	4.0
70-84	A	4.0
65-69	A-	3.7
60-64	B+	3.3
55-59	B	3.0
50-54	B-	2.7
45-49	C+	2.3
40-44	C	2.0
35-39	C-	1.7
30-34	D+	1.3
25-29	D	1.0
20-24	E	0.0

## **7. Subject Curriculum**

### **MASTER OF ARTS (ECONOMICS)/MASTER OF SOCIAL SCIENCES (ECONOMICS) DEGREE PROGRAMS 2015/2016**

**COURSE TYPE : CORE**

**COURSE CODE: ECON 53015**

**COURSE TITLE : ADVANCED ECONOMIC THEORY –  
MICROECONOMICS**

**LEARNING OUTCOMES:** After completion of this course unit students will be able to acquire a deep knowledge in Advanced Microeconomic concepts and to develop skills in analyzing problems in resource allocation, analyze the real world economic problems, and analyze microeconomic problems relating to Sri Lankan context through specific case studies.

**COURSE CONTENTS:** Theory of Consumer Behavior, Theory of Production and Costs. Theory of Firms, Competitive Markets: Imperfect Competition; Monopoly, Monopolistic competition; Game Theory and Oligopoly: Efficient Pricing Policies; Information Theory: Markets with Asymmetric Information, Choice under Risk and Uncertainty; Theory of Distribution, General Equilibrium, Economic Efficiency and Welfare Economics,

**TEACHING AND LEARNING METHODS:** Lectures and Assignments/class tests.

**METHOD OF EVALUATION:** Written examination 80% Assignments 20%.

### **SELECTED READINGS:**

Baumol, W. J. (2006). **Economic Theory and Operations Analysis**. 4<sup>th</sup> edition. Prentice–Hall. Englewood Cliffs. NJ.

David Begg, Stanley Fischer, Rudiger Dornbusch (2008). **Economics**. McGraw-Hill.

Hal R. Varian (2006). **Intermediate Microeconomics** (the 7th edition). Affiliated East-West Press

Jeffrey M. Perloff, (2011), **Microeconomics**, 6<sup>th</sup> edition, Pearson Education Mas-Colell.

Lipsey, R. G. (1992). **An Introduction to Positive Economics**. Weidenfeld & Nicolson Ltd. London.

Pindyck, Robert S. (2008). **Microeconomics**, (sixth Edition). Prentice-Hall of India (Pvt) Ltd.

Samuelson P.A. and Nordhouse W. D. (2005), **Economics**, 8<sup>th</sup> edition, Tata Mcgrow-Hill

**COURSE TYPE : CORE**

**COURSE CODE: ECON 53025**

**COURSE TITLE: ADVANCED ECONOMIC THEORY –  
MACROECONOMICS**

**LERNING OUTCOMES:**

After completion of this course unit students will be able to acquire a deep knowledge in advanced Macroeconomic concepts and to analyze real world macroeconomic issues.

**COURSE CONTENTS:**

Aggregate Demand and Aggregate supply, Neo-classical, Keynesian and Neo-Keynesian Models, Role of Monetary and Fiscal Policies in Closed and Open Economies. Optimization Models Including Consumption and Rational Expectation School, Equilibrium Models on Trade Cycles, Labour Market, Economic Growth Models, Inflation and Unemployment, Macroeconomic Policies: National Income Fluctuations and Economic Stability, Policy Packages and Instruments, Inflation, Underemployment and Long Term Growth.

**TEACHING AND LEARNING METHOD:** Lectures and Assignments

**METHOD OF EVALUATION:** Written examination 80% Assignments  
/Class tests 20%

**SELECTED READINGS:**

Acemoglu, Daron (2008). **Introduction to Modern Economic Growth**. MIT Press

Ackley. G. (1978). **Macroeconomic Theory and Policy**. Macmillan.

Ahuja, H. L. (2006). **Macroeconomic Theory and Policy**. S. Chand and

Co. Ltd. New Delhi.

Allen. R.D.G. (1967). **Macroeconomic Theory**. St. Martins

Dorbush R &Fischer S and Startz R. (2001). **Macroeconomics**.

McGraw-Hill, Irwin

Romer, D. (2001). **Advanced Macroeconomics**. 2nd edition. McGraw-Hill.

Shapiro, E (1996). **Macroeconomic Analysis**. Fifth edition. Galgotia

Publication. New Delhi.

**COURSE TYPE : CORE**

**COURSE CODE : ECON 53035**

**COURSE TITLE : MATHEMATICS AND STATISTICS**

**LERNING OUTCOMES:**

By the end of this course unit students will be able to demonstrate skills in mathematical and statistical methods that are highly useful in analyzing problems related to economic theory and practice and understand the uses of basic descriptive and inferential statistics in economic analysis.

**COURSE CONTENTS:** This course unit consists of two parts:

**Part I: Mathematics** - Functions and their applications in economics, Calculus and its applications in economics: Differentiation, Partial differentiation, Integration; Matrices; Maxima and Minima; Constrained Optimization with economic applications, Linear programming.

**Part II: Statistics** – Probability: Basic concept, Introduction to distribution/s, Discrete and continuous distributions. Correlation: Simple correlation, multiple correlation, Partial correlation. Regression: Simple Regression: Linear, Non-Linear. Multiple Regression: Linear, Non-Linear. Time Series Analysis. Hypothesis testing and confidence intervals.

**TEACHING AND LEARNING METHODS:** Lectures and Assignments

**METHOD OF EVALUATION:** Written examination 80% and  
Assignments/Class room test 20%

**SELECTED READINGS:**

Archibald, G. C. and Richard G. Lipsey (2003). An Introduction to A

Mathematical Treatment of Economics (3<sup>rd</sup> edition). A.I.T.B.S. Publishers & Distributors. India.

Chiang, Alpha C. and Kevin Wainwright (2005). **Fundamental Methods of Mathematical Economics**. McGraw-Hill, Inc. New York.

Connor L.R. and Morrell A.J.H. (1972). **Statistics in Theory and Practice**, pitman publishing.

David, W and William G. (1971). **Introductory Statistics and Probability**, Houghton Mifflin Company- Boston, USA.

Prem S. Mann (2006), **Introductory Statistics**, John Wiley & sons.

Stephen Bernstein (2006). **Elements of Statistics**, Schaum's outline MacGraw-Hill.

Sydsaeter, Knut and Peter Hammond. (2006). **Essential Mathematics for Economic Analysis**, 2nd edition, Prentice Hall: Harlow, England.

**COURSE TYPE : CORE**

**COURSE CODE : ECON 53045**

**COURSE TITLE: ECONOMIC THOUGHT, GROWTH AND  
ECONOMIC DEVELOPMENT OF SRI LANKA**

**LEARNING OUTCOMES:** After completion of this course unit students will have; an understanding of economic thought from early periods to present, deep knowledge in theory and issues of growth and development, and will be able to develop skills in planning process through knowledge on current international trends in politics of development and economics of development.

**COURSE CONTENTS:** This paper consists of two parts.

**Part I: History of Economic Thought** - Early economic thought, Mercantilism, Adam Smith and Laissez-faire, Hume, Ricardo, J.S. Mill, Malthus, Austrian School, Marx and labor theory of value, Neo classical thought, Marshal, Keynesians thought, Early American economists, Modern economists. Theoretical background of growth and development; Introduction to basic concepts and definitions of growth and development, Early growth theories: Neo classical growth models, Harrod-Domar, Kaldor, Modern growth and development theories.

**Part II: Economic Development of Sri Lanka**-Agricultural development, Industrial development and structural changes in Sri Lanka, Education and development, Population and development and Related issues in Sri Lanka, Foreign aid and Economic Development, Foreign direct investment, Regional cooperation and economic development in Sri Lanka, Poverty and poverty alleviation in Sri Lanka.



**TEACHING AND LEARNING METHODS:** Lectures and Assignments

**METHOD OF EVALUATION:** Written examination 80% and  
Assignments/Class tests 20%

**SELECTED READINGS:**

Blaug, Mark (1997). **Economic Theory in Retrospect**, 5th ed.  
Cambridge University Press.

Buchholz, Todd G. (1989). **New Ideas from Dead Economists**. New  
York Penguin Group.

Ekelund, Robert B., Jr. and Robert F. Hébert (2007). **A History of  
Economic Theory and Method**, 5th ed. Waveland Press.

Gerald, M. Meier and James, E. Rauch (2006). **Leading Issues in  
Economic Development** (8<sup>th</sup> edition). Oxford: Oxford University Press.

Lakshman, W.D. (1997). **Dilemmas of Development**: Fifty years of  
Economic Changes in Sri Lanka, Colombo: Sri Lanka Association of  
Economists.

Screpanti, Ernesto, Stefano Zamagni. (2005). **An Outline of the History  
of Economics Thought**. 2nd ed. Oxford University Press.

Senanayake, S.M.P., Wimalaratana, W. & de Silva Amala (eds.) (2008).

**Development Perspectives, Growth and Equity in Sri Lanka**, a

Festschrift in Honor of Prof. W. D. Lakshman. Department of Economics.  
University of Colombo.

Tadaro, Michael, P. (2006). **Economic Development**. 8th edition. Asia:  
Pearson Publication.

**COURSE TYPE : OPTIONAL**

**COURSE CODE: ECON 53055**

**COURSE TITLE: MONETARY ECONOMICS AND PUBLIC FINANCE**

**LEARNING OUTCOMES:** After the completion of this course students will be able to have a deep and clear understanding of theoretical and practical understanding on monetary affairs and public finance affairs. This course comprises of two parts.

**COURSE CONTENTS:** This paper consists of two parts

**Part I : Monetary Economics** - Role of money in exchange process, Demand for and supply of money, Banking industry, monetary intermediation, and credit rationings, interest rates, Theory of monetary policy and monetary targets, Money interaction, Role of monetary policy in credit and monetary intermediates and overall economic activities.

**Part II : Public Finance** - Theory of public finance, Formulation of public finance policies, Public finance and taxation, budgeting taxation, tariff reforms and planning during the transition to liberalized economy, Public investment, Public debt and Foreign investment.

**TEACHING AND LEARNING METHODS:** Lectures and Assignments.

**METHOD OF EVALUATION:** Written examination 80% and  
Assignments/Class Tests 20%

**SELECTED READINGS:**

Buckle, M and . J. Thompson,(1998). **Principles of Banking.**  
University of London.

Bhatia, H.L. (2008). **Public Finance.** 26th Edition, New Delhi, Vikas

Publishing House.

Browning, Edgar. K. and Browning, Jacqueline. M (2004). **Public Finance and the Price System**, 4th Edition, Delhi, Pearson Education(Singapore) (Pvt.) Ltd, Indian Branch

Mishkin, F. S. (2010). **The Economics of Money Banking and Financial Markets**. 9th Edition, Pearson Addison Wesley,

Musgrave R.A. (1959). **The Theory of Public Finance: A Study of Public Economy**. New York. McGraw-Hill.

Musgrave R. A. and Musgrave P. B. (1983). **Public Finance in Theory and Practice**. Singapore. McGraw- Hill.

Otto Eckestein (1983). **Public Finance**. Prentice Hall of India Pvt. Ltd.

Prest A. R. (1960). **Public Finance: In Theory and Practice**, London. Wedenfeld and Nicolson.

Tayler, Philip E. (1974). **Economics of Public Finance**. 3rd Edition, New York. Mohan Primlain.

Trech, Richard W. (1981). **Public Finance: A Normative Theory**. Business Publications Inc: Texas.

**COURSE TYPE : OPTIONAL**

**COURSE CODE : ECON 53065**

**COURSE TITLE : PROJECT ANALYSIS AND MANAGEMENT**

**LEARNING OUTCOMES :** Upon completion of this course unit the students will be able to,

Understand the assumptions, pros and cons of each evaluation method and able to explain why a particular method is appropriate/not appropriate for a given project; understand the challenges of multi attributed decision-making and to apply an appropriate model to a given project for effective decision making; comprehend and relate to real-life examples the fundamental concepts in project appraisal (e.g. the meaning of time value for money, equivalence); calculate common financial indicators for a given project and explain the relevance of each to the appraisal of the project; rank projects by combining both financial and non-financial indicators (e.g. environmental and social); understand how risks and uncertainties affect evaluation outcomes and able to deal with uncertainties and risks in analysis; apply techniques to account for the effects of inflation/deflation and exchange rates in analysis; and understand the basic concepts in financing and able to carry out basic financing analysis.

**COURSE CONTENTS:** This course consists of three parts

**Part I: Project Analysis** - Financial Analysis and Economic Analysis; Interpretation of projects, Role and importance of private sector project analysis in national planning, Project preparation: project cycle, descriptive study on various parts of project cycle, feasibility study, technical and economic analysis on project study. Project evaluation, Financial evaluation and economic evaluation: Financial evaluation; Comparison between relative cost and benefits, Investment determinants; Internal rate of return, Cost benefit ratio, Net present value, Sensitive analysis, Economic Analysis: Social cost benefit analysis and shadow

prices, differences between commercial and social practice of cost benefit analysis, Little-Merrles and UNIDO approaches on project evaluation.

## **Part II: Techniques of Evaluation of Environmental Values and Project Analysis**

Environmental impact evaluation, Principles of environmental impact evaluation, Limitations of environmental impact evaluation.

**Part III: Industrial Project Evaluation** - Principles of industrial project evaluation, Commercial and national profitability under uncertainties.

**TEACHING AND LEARNING METHODS:** Lectures and Assignments

**METHOD OF EVALUATION:** Written examination 80% and Assignments/Class test/Presentations 20%

### **SELECTED READINGS:**

Boardman, Greenberg, Vinning, and Weimer (2001). **Cost Benefit Analysis: Concepts and Practice**. 2nd Ed. Prentice Hall. Upper Saddle River. USA

Chandra, P. (1997). **Projects Preparation, Appraisal, Budgeting & Implementation**. McGraw-Hill. New York.

Dasgupta, P., Sen, A. K. and Marglin, S. (1972). **Guidelines for Project Evaluation**. New York:United Nations Industrial Development Organization.

Harrison, F. L. (1985). **Advanced Project Management**. Gower Publishing.

Irvin, G. (1978). **Modern Cost-Benefit Analysis Methods**. London: Macmillan.

Layard, R. and Glaster, S. (1994). **Cost-Benefit Analysis**. 2nd edition. Cambridge University Press.

Lester, A. (1991). **Project Planning and Control**. 2nd Edition, Butterworth: Heineman. Little, I. M. D. and Mirrlees, J. A. (1974). **Project Appraisal and Planning for Developing Countries**. New Delhi: Oxford & IBH Publishing Co. PVT.LTD.

Lock, D. (1989). **Project Management**. Gover, Publishing.

Ministry of Planning and Economic Affairs, (1970). **Guidelines for Project Formulation and Evaluation-Part I**. Colombo: Ministry of Planning and Economic Affairs.

**COURSE TYPE : OPTIONAL**

**COURSE CODE : ECON 53075**

**COURSE TITLE : RESOURCE ECONOMICS AND NATURAL  
RESOURCE MANAGEMENT**

**LEARNING OUTCOMES:** Upon completion of this unit students will be able to acquire a clear understanding of the theoretical aspects of Natural resource and Environmental management and to apply the knowledge in natural resource management practices in Sri Lanka.

**COURSE CONTENT:** This course consists of two parts.

**Part I : Principles of Welfare Economics** - Scope of Welfare Economics, Compensation principle, Social welfare function, Measurements of welfare changes, Consumer's Surplus, Compensation variation and equivalent variation, Projects and practices.

**Part II : Resource Economics and Management** - Introduction to Resource economics, Economic growth and resource availability, Efficiency in resource utilization, Externalities, Market distortions, Interim resource utilization, property rights and economy, Common resource rights, Principles of sustainable development, Forest, fishery and aquatic resource management, Value evaluation methods, Full economic value, Use value, Theory of environmental pollution control.

**TEACHING AND LEARNING METHODS:** Lectures and Assignments

**METHOD OF EVALUATION:** Written examination 80%  
Assignments/Class tests 20%

**SELECTED READINGS:**

Boadway W. Robin and Neil Bruce, (1984). **Welfare Economics**. Basil

Blackwell Publisher Ltd. 108 Cowley Road. Oxford, England.

Calerance j. and Goldon j. Darkanwald, (1973). **Economic Geography**. Graham and Trotman Ltd. London. England.

Dasgupta Partha, (2001). **Human Well Being and the Natural Environment**. Oxford University Press Inc. New York. USA.

Gunathilaka M. Herath (2003). **Environmental Valuation: Theory and Application**. Postgraduate Institute of Agriculture. University of Peradeniya. Offset printers. William Gopallawa Mv. Sri Lanka.

Kohlin Gunnar, (1998). **The Value of Social Forestry in Orissa**. India. Printed by kompendiet–Goteborg, Sweden.

Maler Kal-Goran,(1974). **Environmental Economics: A Theoretical Inquiry**. Johns Hopkins University Press. Baltimore. USA.

Natural Resources, Energy and Science Authority, (1990). **Natural Resources of Sri Lanka**. NARESA, Printed by Uni-Walker packaging Ltd. Colombo. Sri Lanka.

Randall, A., (1989). **Resource Economics**. Third Edition, John Wiley and Sons. SD 10662. New York. USA.

Starrett A. David, (1988). **Foundation of Public Economics**. (Cambridge economic handbooks) (Reprinted). Cambridge University Press. New York. USA.

Terner t., (2003). **Policy Instruments for Environmental and Natural Resource Management, Resource for the Future**. The World Bank. Washington D.C. USA.



**COURSE TYPE : OPTIONAL**

**COURSE CODE : ECON 53085**

**COURSE TITLE : INTERNATIONAL TRADE AND TRADE  
POLICY**

**COURSE CONTENTS:** This course consists of two parts.

**Part- 1: International Trade Theory** - International Specialization and Exchange; The classical theory; Absolute and comparative advantage; Reciprocal demand and offer curves; The specific factors model; The Heckscher-Ohlin model, Factor-price equalization, Stolper-Samuelson and Rybczynski theorems.; Leontief paradox; Modern Theories of Trade; Intra-industry trade, Imperfect competition and trade; Monopoly, Monopolistic Competition and Oligopolistic (Reciprocal-dumping) models.

**Part - 11: Trade Policy** - Instruments of trade policy: Tariffs and quantitative trade restrictions; Theory of tariffs, The political economy of protectionism; Multilateral trading system and the World Trade Organization (WTO); The theory of customs union; Economic Integration.

**TEACHING AND LEARNING METHODS:** Lectures and Assignments

**METHOD OF EVALUATION:** Written examination 80%  
Assignments/Class Tests 20%

**SELECTED READINGS:**

Bhagwati, J. Srinivasan, T.N. and Panagariya (1999). **Lectures on International Trade.** the MIT Press.

Baldwin, R.E. (1989). The Political Economy of Trade Policy.

**Journal of Economic Perspectives.** Vol. 3, 119-35

Baldwin, R.E. and Venables, A. (1995). "*Regional Economic*

*Integration*," in Grossman, G and Rogoff, K. (eds.) **Handbook of International Economics**. Vol. 3, North-Holland

Feenstra, R. C. (2003). **Advanced International Trade: Theory and Evidence**. Princeton University Press.

Krishna, P., A. Panagariya, and J. Bhagwati, (1999). **Trading Blocks: Alternative Approaches to Analyzing Preferential Trade Agreements**. MIT Press.

Krugman, P.R. and M. Obstfeld (2005). **International Economics: Theory and Policy** - 7th Edition, Addison Wesley.

Mikic, M. (1998), **International Trade**. Basingstoke. Macmillan Press.

#### **Website References –**

[Http//www.worldbank.org](http://www.worldbank.org),

[Http//www.imf.org](http://www.imf.org),

[Http//www.wto.org](http://www.wto.org) ,

[Http//www.undb.org](http://www.undb.org)

**COURSE TYPE : OPTIONAL**  
**COURSE CODE : ECON 53095**  
**COURSE TITLE : ECONOMETRICS**

**LEARNING OUTCOMES:** At the end of this course, the students will be able to demonstrate skills in econometric methods employed in economic analysis and to analyze economic data using appropriate econometric methods, as well as to interpret the results scientifically.

**COURSE CONTENTS:** Role of Econometrics, Review of Multiple Regression: Linear models and Non-linear models; Significance tests; Violation of assumptions: Heteroscedasticity, Autocorrelation, Multicollinearity; Stochastic Regressions and Measurement Errors; Probability models; Simultaneous Equations; identification problem, estimation, Binary Choice Models and Maximum Likelihood Estimation, Models Using Time Series Data.

**TEACHING AND LEARNING METHODS:** Lectures and Assignments

**METHOD OF EVALUATION:** Written examination 80%  
Assignments/Class Tests 20%

**SELECTED READINGS:**

Greene, H. W. (1993). **Econometric Analysis**. Pearson Education International- Prentice Hall, U.S.A.

Gujarati, Damodar, N. (2004). **Basic Econometrics**. Tata McGraw-Hill, New Delhi. Exposition of Econometric Methods. 2nd Edition. PALGRAVE. New York.

Gujarati, Damodar, N., Dawn C. Porter and Sangeetha Gunasekar (2012).

**Basic Econometrics** (5<sup>th</sup> edition). Tata McGraw-Hill. New Delhi.

Koutsoyiannis, K. (2001). **Theory of Econometrics: An Introductory Exposition of Econometric Methods**. (Second Edition). PALGRAVE, New York.

Madala, G. S. (1992). **Introduction to Econometrics**. Macmillan, New York.

Pindyck, R. S. and D. L. Rubinfeld. (1990). **Econometric Models and Econometric Forecasts**. 4th Edition. McGraw-Hill. New York.

**COURSE TYPE : CORE**

**COURSE CODE : ECON 53105**

**COURSE TITLE : RESEARCH METHODOLOGY FOR  
ECONOMICS**

**LEARNING OUTCOMES:** Upon completion of this unit students should be able to:

understand different research perspectives and methodologies in the field of economics; have an awareness of their ethical responsibilities when undertaking research; reflect on the meanings and motivations they bring to the research endeavor; perceive the interconnections between research questions, data forums, research methodologies and methods; formulate research questions, hypotheses and accompanying study designs; understand assumptions and issues of validity and reliability of quantitative research; adopt conventions for reporting statistical findings; interpret and critically evaluate reports of quantitative research

**COURSE CONTENTS:** Nature of research, research paradigms and traditions, Main methods of qualitative research, Introduction to quantitative analysis, Sampling methods, Organizing a Sample Survey; Methods of action research, Choice of ethnographic research for economic research, Writing and submitting dissertations, Preparation of a research proposal.

**TEACHING AND LEARNING METHODS:** Lectures and Assignments

**METHOD OF EVALUATION:** Written examination 80%  
Assignments/Class Tests 20%

**SELECTED READINGS:**

Della Porta. D., M.Keating ( 2008). **Approaches and Methodologies in the Social Sciences: A Pluralist Perspective.** Cambridge.

Emory C.W., (1980). **Business Research Methods**. Homewood, Illinois, Richard D Earwin Inc.

Groves, R M, Fowler, F J, Couper, M P, Lepkowski, J M, Singer, E, and Tourangeau, R (2009). **Survey Methodology**. (2nd ed.). Wiley.

Kothari C.R. (1998). **Research Methodology**. New Delhi, Wishwa Prakshan Publication.

Santosh Gupta, (1993). **Research Methodology and Statistical Techniques**. New Delhi, Deep and Deep Publication.

Sarantakos, S, (1998). **Social Research**. Second Edition. Macmillan Press Ltd. London.

## 10. Contact details

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Department homepage: <http://www.kln.ac.lk/socialsciences/depts/econ/>

Note: Time table and all other messages relevant to the postgraduate programme will appear in the department website and the official social media websites of the university.

## **1. Academic Staff of the MA/MSSC Degree Programs**

### **Academic Staff of the Department**

Prof. M. M. Gunatilake (Head of the Department)

Senior Prof. Y. M. S. Madduma Bandara

Senior Prof. Upali Hettiarachchi

Prof. W. M. Semasinghe

Prof. H. M. Nawaratne Banda (Program Coordinator – English Medium)

Dr. D. M. A. Dissanayake (Program Coordinator – Sinhala Medium)

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Dr. G. M. Henegedara

Dr. Manjula Gunarathna

Mrs. M. K. Wijekoon

Mrs. J. A. P. Kumari

Mr. B. M. N. Nishantha

Dr. Seetha Priyangani Bandara

Mrs. L. W. Dassanayake

Mr. C.D. Chathuranga

Emeritus Prof. (Mrs). K. M. Prema Podimenike