BACHELORS WITH ECONOMICS AS MAJOR FOR HONOURS
8th SEMESTER
ECO822J1: ECONOMICS _ INTERNATIONAL FINANCE

CREDITS: 3 + 1 = 4

Course Description: *This is a course of 04 credits (03 units of 01 credit each and tutorial of 1 credit).*

Course Objectives: *This course provides the students a thorough understanding about the principles that tend to govern international finance. This course discusses importance aspects of global finance. The underlying topics in the syllabus is of great relevance to a nation in modern liberalized world. The course addresses that foreign exchange market, balance of payments and different phases of international monetary system.*

Learning Outcomes: *After completing this course, students are expected to:*

L01: *Analyse foreign exchange markets, demonstrate proficiency in exchange rate determination, quotations, and hedging strategies.*

L02: *Assess Balance of Payments structures, interpret deficits or surpluses, and propose corrective measures for economic equilibrium.*

L03: *Evaluate different exchange rate regimes, comparing flexible versus fixed systems, and explain the functioning and roles of international monetary organizations like the IMF.*

Unit I: Foreign Exchange Markets (1 Credit)

Foreign exchange markets – structure and functions, exchange rate determination, spot, forward, option and futures markets; purchasing power parity of exchange rate determination; foreign exchange quotations; forward premium and forward discount; cross exchange rate; hedging, speculation and arbitrage.

Unit II: Balance of Payments (1 Credit)

Balance of payments – meaning and importance; double entry accounting; balance-of-payments structure; bop deficit and surplus, equilibrium, disequilibrium; methods of correcting disequilibrium.

Unit III: Exchange Rate Regimes (1 Credit)

Exchange rate regimes; flexible versus fixed exchange rates; types of international monetary system; gold standard, Breton-Woods standard, managed floating exchange rate system; IMF: role functions and operation.

TUTORIALS (1 CREDIT)

- Effects of exchange rates changes
- Working of spot, forward markets (with real life examples)
- India's balance of payments
- Exchange rate bands, adjustable peg system and crawling peg system

BASIC READINGS:

1. Salvatore, D.: International Economics, John Wiley
2. Carbaugh, R. J. (2008), International Economics, Cengage Learning, New Delhi
3. Mannur, H. G (1999): International Economics, Vikas Publishing House, New Delhi

ADDITIONAL READINGS:

1. Cherunilam F.: International Economics (4th Edition) 2006 Tata McGraw-Hill Companies
2. Krugman P. and Maurice O., International Economics: Theory and Policy, Pearson Education
3. Kindleberger C. P., International Economics, RD Irwin Inc.
4. Sodersten BO & Reed Geoffrey: International Economics, 2003 McMillan Press Ltd.
5. Mithani, D. M.: International Economics, Himalaya Publishing House, New Delhi

Further Readings shall be as per the suggestions of the concerned teacher.

BACHELORS WITH ECONOMICS AS MAJOR FOR HONOURS
8th SEMESTER
ECO822J2: ECONOMICS _ MACROECONOMICS – II

CREDITS: 4 + 2 = 6

Course Description: *This is a core course of 06 credits (04 units of 01 credit each and tutorials of 2 credits).*

Course Objectives: *This course delves into advanced macroeconomic models and their implications for policy analysis. It focuses on IS-LM model, and central propositions of Monetarist revolution. Finally, the course explores the microeconomic foundations of macroeconomics.*

Learning Outcomes: *After completing this course, students are expected to:*

L01: Develop a comprehensive understanding of the IS-LM model for a closed economy.
L02: Gain proficiency in applying the IS-LM model to an open economy.
L03: Explore the Monetarist counter-revolution by examining the central propositions of Monetarism.
L04: Delve into the microeconomic underpinnings of macroeconomics.

Unit I: IS-LM Model for Closed Economy (1 Credit)
IS-LM curves – derivation, slope & shift factors; monetary and fiscal policy effectiveness in is–lm model.

Unit II: IS-LM Model for Open Economy (1 Credit)
IS, LM & BP schedules; slope & shift factors; policy effectiveness under perfect & imperfect capital mobility in flexible & fixed exchange rate regimes.

Unit III: Monetarist Counter-revolution (1 Credit)
Monetarism; central propositions; quantity theory reformulation; wage setting and price setting relation; Philips curve analysis-Keynesian and Monetarist approach.

Unit IV: Microeconomic Foundations of Macroeconomics (1 Credit)
Fisher's theory of optimal inter temporal choice; life cycle, permanent income hypothesis; new classical economics – central propositions, rational expectations and policy conclusions. Keynesian critique of new classicals.

Tutorials (1 Credit)

- Hypothetical numericals for deriving the parameters of IS-LM Curve
- Hypothetical numericals for deriving the parameters of IS-LM-BP Curve
- Calculating various multipliers in IS-LM framework in both closed and open economy
- Evolution of concept of natural rate of unemployment.
- Okun's law.
- Role of liquidity constraints.
- Lucas aggregate surprise supply function.

Basic Readings:

1. Blanchard O (2017). Macroeconomics, 7th Edition Pearson
2. Mankiw, N. (2016). Macroeconomics, 9th ed. Worth Publishers.
3. Froyen, R.T., "Macroeconomics" Theories and Policies, Pearson Education, 10th Edition, 2013
4. D'Souza E., "Macroeconomics", Pearson Education, 2009.
5. Branson, W. H. (2005). Macroeconomic Theory and Policy. Harper & Row: New York.
6. Dornbusch, R., Fischer, S., Startz, R. (2018). Macroeconomics, 12th ed. McGraw-Hil

Additional Readings:

1. Abel, A., Bernanke, B. (2016). Macroeconomics, 9th ed. Pearson Education.
2. Snowdon, B., Vane, H.R. (2005). Modern Macroeconomics: its Origins, Development and Current State. United Kingdom: Edward Elgar Publishing.
3. Rosalind Levacic and Alexander Rebmann. (1982). Macroeconomics: An Introduction to Keynesian-neoclassical Controversies (2nd ed.) Macmillan Education Limited: London.

Further Readings shall be as per the suggestions of the concerned teacher.

BACHELORS WITH ECONOMICS AS MAJOR
8th SEMESTER
ECO822J3: ECONOMICS _ ENVIRONMENTAL ECONOMICS

CREDITS: 4 + 2 = 6

COURSE DESCRIPTION: *This is a course of 06 credits (04 units of 01 credit each and tutorials of 2 credits).*

COURSE OBJECTIVES: *The course introduces the students to the basic concepts of environmental economics. The students would be familiarized with nature of environmental goods and problems associated with their use as well as various theories associated with the study of environmental economics. The course will also help in developing an understanding of various environmental issues, their consequences, concept of climate change as well as various national and international environmental policies*

LEARNING OUTCOMES: *After completing this course, students are expected to:*

L01: *Develop understanding about the basic concepts of environmental economics, grasp the concept of environmental accounting and its measurement.*

L02: *Understand the relationship between environment and market failure, and their remedial measures.*

L03: *Understand the various methods of environmental valuation.*

L04: *Develop awareness about the contemporary developments in the field of climate change.*

UNIT I: INTRODUCTION (1 CREDIT)

Environmental economics- evolution, scope, and importance; environment-economy interaction; environment and Economic Growth- environmental Kuznet's Curve; environmental accounting: concept, objectives, role & measurement.

UNIT II: ENVIRONMENT AND MARKET FAILURE (1 CREDIT)

Environment goods – characteristics, consumption and demand, production and supply; environment as a public good, concept of market failure; free rider problem, common pool resources and 'tragedy of the Commons", environment externalities and their consequences; solution to externalities – Coarse theorem and Pigouvian tax approach.

UNIT III: ENVIRONMENTAL VALUATION (1 CREDIT)

Valuation of environmental assets – market pricing approach, contingency valuation method, replacement cost approach, Hedonic approach; methods of abatement of externalities, social cost-benefit analysis; cost-effectiveness analysis.

UNIT IV: ECONOMICS OF CLIMATE CHANGE (1 CREDIT)

Climate change- concept, evolution & recent developments; trans-boundary environmental problems; contemporary global response to climate change- inter-governmental panel on climate change (IPCC) 1992; earth summit; Kyoto protocol; Paris agreement.

TUTORIALS (2 CREDITS)

- Concept of Green Accounting
- Environmental externality: a case of public health and climate change
- India's environmental policy
- A case study of evaluation of natural disasters in India
- A case of Kuznet's curve in Indian context
- The economic impact: the 1990 clean air act amendments
- Contingency valuation method and eco-tourism
- Environmental application of Coase theorem

BASIC READINGS

1. Singh, Katar and Shishodia, Anil (2007). Environmental Economics. Theory and Applications. Sage Publication, New Delhi.
2. Hussen, Ahmed. M. (2002). Principles of Environmental Economics. Routledge Press.
3. Kolstad. C. D. Intermediate Environmental Economics, 2nd Edition, Oxford, University Press, 2012.
4. Hanley. N, Shogrin. J.F and White. B. Introduction to Environmental Economics, Oxford University Press, Oxford, 2001.

ADDITIONAL READINGS:

1. Romm, J. Climate Change: What Everyone Needs to Know, 1st Edition, Oxford, University Press, USA, 2015.
2. Tietenberg, T and Lewis. L: Environment and Natural Resource Economics, 10thEdition, Prentice Hall, USA, 2014.
3. Perman. R, Ma. Y, Common. M, Maddison. D., Mcgilvray. J :Natural Resource and Environmental Economics, Pearson Education, 4th Edition, Adison Wesley, 2011
4. Harris. J. M and Roach. B. Environmental and Natural Resource Economics: A Contemporary Approach, 3rd Edition, Routledge Publications, 2013.

Further Readings shall be as per the suggestions of the concerned teacher.

BACHELORS WITH ECONOMICS AS MINOR
8th SEMESTER
ECO822N: ECONOMICS _ INTERNATIONAL FINANCE

CREDITS: 3 + 1 = 4

Course Description: *This is a course of 04 credits (03 units of 01 credit each and tutorial of 1 credit).*

Course Objectives: *This course provides the students a thorough understanding about the principles that tend to govern international finance. This course discusses importance aspects of global finance. The underlying topics in the syllabus is of great relevance to a nation in modern liberalized world. The course addresses that foreign exchange market, balance of payments and different phases of international monetary system.*

Learning Outcomes: *After completing this course, students are expected to:*

L01: *Analyse foreign exchange markets, demonstrate proficiency in exchange rate determination, quotations, and hedging strategies.*

L02: *Assess Balance of Payments structures, interpret deficits or surpluses, and propose corrective measures for economic equilibrium.*

L03: *Evaluate different exchange rate regimes, comparing flexible versus fixed systems, and explain the functioning and roles of international monetary organizations like the IMF.*

Unit I: Foreign Exchange Markets (1 Credit)

Foreign exchange markets – structure and functions, exchange rate determination, spot, forward, option and futures markets; purchasing power parity of exchange rate determination; foreign exchange quotations; forward premium and forward discount; cross exchange rate; hedging, speculation and arbitrage.

Unit II: Balance of Payments (1 Credit)

Balance of payments – meaning and importance; double entry accounting; balance-of-payments structure; bop deficit and surplus, equilibrium, disequilibrium; methods of correcting disequilibrium.

Unit III: Exchange Rate Regimes (1 Credit)

Exchange rate regimes; flexible versus fixed exchange rates; types of international monetary system; gold standard, Breton-Woods standard, managed floating exchange rate system; IMF: role functions and operation.

TUTORIALS (1 CREDIT)

- Effects of exchange rates changes
- Working of spot, forward markets (with real life examples)
- India's balance of payments
- Exchange rate bands, adjustable peg system and crawling peg system

BASIC READINGS:

1. Salvatore, D.: International Economics, John Wiley
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