

**SACRED HEART COLLEGE (AUTONOMOUS), THEVARA**

**DEPARTMENT OF ECONOMICS**

**COURSE PLAN**

**ACADEMIC YEAR 2015 – 16**

**M A ECONOMICS**

**SEMESTER IV**

### COURSE PLAN

PROGRAMME	COURSE TITLE	SEMESTER	HOURS	CREDIT
M.A. ECONOMICS	INTERNATIONAL FINANCIAL SYSTEM & ECONOMIC POLICY	4	5	3
FACULTY NAME	Bineetha P Bose			

#### References

1. Krugman Paul, R, Obsfield M. and Melitz, M. J (2018) International Finance Theory and Policy, 11<sup>th</sup> Edition, Pearson (India) Private Limited, New Delhi
2. Gondolfo, Giancarlo (2206) Elements of International economics, Springer international Edition
3. Appleyard, D. R and Field A.J, Jr. (2014) International Economics 8<sup>th</sup> Edition McGraw Hill Education (india) Private Limited, New Delhi
4. Salvatore, D (2013) International Economics Trade and Finance 10<sup>th</sup> Edition. Wiley India Private Limited New Delhi
5. Sodersten, B and Reed G (1994) International Economics, Third Edition MacMillan Press London
6. Krugman P R and Obtsfield M (2009) International Trade Theory and Policy 8<sup>th</sup> Edition, Pearson, Dorling Kindersley (India) Private Limited, New Del

Sessions	Date	Topic	Method
		<b>MODULE I</b>	
1	Day 1	Introductory Session- scpe definitions	Discussion
2	Day 2	International monetary system	discussion
3	Day3	Importance of IMS	Ppt discussion
4	Day 4	Qualities of good IMS	Ppt/ Discussion
5	Day5	Gold standard	Ppt + lecture
6	Day 6	Gold standard -mint parity	Ppt + lecture
7	Day7	Interwar period	Ppt + lecture
8	Day 8	Bretton Woods system	ppt+ discussion
9	Day 9	BWS working- reserves	Lecture+ discussion
10	Day10	BWS -weaknesses	Ppt, lecture
11	Day11	BWS- collapse	Ppt,discussion/Graph
12	Day12	Smithsonian agreement	Ppt, discussion
13	Day 13	Jamaica Accord-	Ppt, discussion

14	Day 14	Present system-non system	ppt, discussion
15	Day 15	Present system(ctd)	ppt, discussion
16	Day16	Present system-weaknesses	Lecture, discussion
17	Day17	European monetary system	ppt, discussion
18	Day 18	OCA theories	Lecture, discussion
19	Day19	OCA theories ctd	Ppt/ lecture/discussion
20	Day 20	OCA theories ctd	Ppt, lecture
21		CIA – I	1 hr; descriptive answers only
22	Day 21	Euro Dollar markets	Ppt, discussion
23	Day22	Euro dollar markets ctd	Ppt, discussions
24	Day23	Euro dollar market merits & spread	Ppt, discussions
		<b>MODULE II</b>	
25	Day 24	Foreign Exchange market	Ppt, discussions
26	Day25	Foreign Exchange market-functions	Ppt, discussion,
27	Day26	Foreign Exchange market-participants	Ppt, discussion,
28	Day27	Determination of exchange rates	graph,ppt
29	Day28	Types of exchange rates- fixed	Ppt, discussion
30	Day 29	Types of exchange rates-floating	Ppt, discussion.
31	Day 30	Types of rates- crawling peg, dirty float, snake float	Ppt, discussion
32	Day 31	Spot forward rates	Discussion, ppt
33	Day 32	Forward premium, discount	discussion
34	Day 33	Arbitrage	Ppt, discussion
35	Day 34	Hedging & speculation	Lecture and discussion
36	Day 35	Derivatives-futures	discussion
37	Day 36	Futures vs forwards	discussion,
38	Day 37	options	Ppt/discussion
39	Day 38	Currency swaps	Ppt, discussion,
40	Day 39	Currency convertibility	Ppt/ discussion,
		<b>MODULE III</b>	
41	Day 40	Exchange rate determination	Lecture , ppt
42	Day41	Purchasing power parity	Lecture , graph
43	Day 42	Monetarist approach	Lecture ppt
44	Day 43	Monetarist approach (ctd) BOP	Lecture ppt
45	Day 44	Monetarist approach- exchange rates	Graph, lecture
46	Day 45	Asset market approach to BOP	Lecture ppt
47	Day 46	Asset market approach to BOP (ctd)	Ppt, lecture
48	Day 47	Asset market approach to BOP- adjustment path	Lecture, discussion
49	Day 48	Asset market approach-exchange rates	Lecture, discussion
50	Day 49	Exchange rate overshooting	Lecture, discussion
51	Day 50	Exchange rate overshooting (ctd)	Lecture, discussion
		<b>MODULE IV</b>	
52	Day 51	Balance of Payments- accounting	Lecture, discussion
53	Day 52	Balance of Payments- current account	Lecture, discussion
54	Day 53	Balance of Payments- capital account	Lecture, discussion
55	Day 54	Balance of Payments- financial account	Interactive session
56	Day 55	Bop equilibrium& dis equilibrium	Lecture, discussion

57	Day 56	Balance of Payments-adjustment	Lecture, discussion
58	Day 57	Price adjustment -devaluation/depreciation	discussion
59	Day 58	Elasticity approach	discussion
60	Day59	Elasticity estimates	discussion
61	Day 60	Elasticity pessimism	
62		CIA II	2 HOURS
63	Day 61	Currency pass through	Lecture, discussion
64	Day 62	Lag in adjustment	discussion
65	Day 63	J curve effect	Lecture, discussion
66	Day 64	Income adjustment	Discussion
67	Day 65	Absorption approach-equations	
68	Day 66	Direct absorption	Discussion
69	Day67	Indirect absorption	discussion
70	Day 68	Internal & external balance	discussion
71	Day 69	Swan salter diagrams	discussion
72	Day 70	Assignment problem	lecture
73	Day 71	Stop go policy changes	Discussion graph
74	Day 72	Mundell Fleming model	Discussion graph
75	Day 73	Mundell Fleming model ctd	Discussion graph
76	Day 74	Monetary policy under fixed exchange rates- capital mobile	Discussion graph
77	Day 75	Monetary policy under fixed exchange rates- immobile capital	Discussion graph
78	Day 76	Fiscal policy capital mobile	Discussion graph
79	Day 77	Fiscal policy- capital immobile	Discussion graph
80	Day 78	Monetary policy- floating rate- capital mobile	Discussion graph
81	Day 79	Monetary policy- floating rate- capital immobile	Discussion graph
82	Day 80	Fiscal policy-floating rates capital mobile	Discussion graph
83	Day 81	Fiscal policy-floating rates capital immobile	Discussion graph

5 hours for revision

5 hours for  
seminar

2 hours for course evaluation

### **Additional Reading List**

Foreign Exchange market -Dun & Bradstreet

### COURSE PLAN

PROGRAMME	COURSE TITLE	SEMESTER	HOURS	CREDIT
M.A. ECONOMICS	PUBLIC ECONOMICS II	4	90	4

<b>Module I: Public Expenditure</b>			
Session	Topic	Method of Teaching	Value Additions
3	Theories of Public Expenditure Wagners Law	ICT & Lecture	Knowledge
2	Wiseman- Peacock Hypothesis	ICT & Lecture	Knowledge
2	Critical Limit Hypothesis	ICT & Lecture	
2	Structure and growth of Public expenditure of Centre and States	ICT & Lecture	Knowledge
1	Developmental and non-developmental	ICT & Lecture	Knowledge
1	Plan and Non Plan Expenditure	ICT & Lecture	Knowledge
3	Principles of expenditure evaluation- Social cost - benefit analysis,I	ICT & Lecture	Knowledge
2	Public expenditure decision making on Educa- tion in India.	ICT & Lecture	Knowledge

<b>Module II: Budgeting and Public Debt</b>			
4	Budget, Stages involved in the preparation, presentation and execution of government budget	ICT & Lecture	Knowledge
2	Deficit concepts -Problem of fiscal deficit, Performance	ICT & Lecture	Knowledge
3	Programme and Zero Based Budgeting	ICT & Lecture	Knowledge
2	Corrective measures-FRBM Act-ERC	ICT & Lecture	Knowledge
2	Theories of public debt Classical Keynesian	ICT & Lecture	Knowledge
2	Theories of public debt Modern	ICT & Lecture	Knowledge
2	Burden of Debt -Intergeneration equity	ICT & Lecture	Knowledge
1	Buchanan Thesis	ICT & Lecture	Knowledge
2	Growth and composition of public debt of the Central Govt. and State Govts	ICT & Lecture	Knowledge
2	External debt of India. Management of Debt.	ICT & Lecture	Knowledge
<b>Module III: Public Enterprises</b>			
2	Public Sector and its Role in Economic Development	ICT & Lecture	Knowledge
2	Privatization of PSUs- Disinvestment of Indian PSUs	ICT & Lecture	Knowledge
1	Experiences of other countries	ICT & Lecture	Knowledge
1	Public Private Partnership(PPP) policy	ICT & Lecture	Knowledge
2	Pricing policies of PSUs- Peak load pricing - Administered Price Mechanism (APM)	ICT & Lecture	Knowledge
2	Public Pricing and environmental policy.	ICT & Lecture	Knowledge
<b>Module IV: Fiscal Federalism</b>			
2	Theories of Multilevel Finance	ICT & Lecture	Knowledge
1	Principles of Federal Finance	ICT & Lecture	Knowledge
2	Indian Fiscal Federalism- Fiscal imbalances	ICT & Lecture	Knowledge
2	Intergovernmental transfers - Efficiency basis Equity arrangements	ICT & Lecture	Knowledge
1	Major issues in Centre state financial relations in India	ICT & Lecture	Knowledge
1	Vertical and horizontal imbalances,	ICT & Lecture	Knowledge
1	Liberalization, economic reforms and Centre state relations in India	ICT & Lecture	Knowledge

Session	Topic	Method of Teaching	Value Additions
2	Finance commission and evaluation of its working.	ICT & Lecture	Knowledge
2	An evaluation of the current Finance Commission Recent Trends -Criteria of devolution	ICT & Lecture	Knowledge
2	Planning commission vs Finance commission	ICT & Lecture	Knowledge
2	Modified Gadgil formula - Problem of Central loans to States in India	ICT & Lecture	Knowledge
2	Local Finance Changing role of local self governments	ICT & Lecture	Knowledge
2	State Finance Commission and financial resources of PRI, Problems of Local Finance.	ICT & Lecture	Knowledge

<b>Assignments</b> (Submit any two of the following.)	
Sl No	Topic
1	Analyse market failure due to Govt. intervention in Kerala or India with suitable example.
2	Examine the rent seeking and DUP activities in Kerala with suitable examples.
3	Explore the fiscal policy of the Govt. of India and suggest ways and means to revive the Indian Economy

### **Books for Reference**

1. Richard A. Musgrave (1989), Public Finance in Theory and Practice McGraw Hill Book Company, New York .
2. Singh S K (2008), Public Finance in Developed and Developing Countries, S. Chand and Company Ltd, New Delhi.
3. Bailey, S.J (2004), Public Sector Economics, Macmillan, New York.
4. Hemalata Rao (2006), Fiscal Federalism Issues and Policies, New Century Publications, New Delhi .

## COURSE PLAN

Semester	Elective Course Title	Credits	Hours
4	<b>ENVIRONMENTAL ECONOMICS</b>	4	90

Topic		Method	Remarks/Reference
2	introduction to environmental economics	Lecture method	
2	scope and definition of environmental economics	Lecture method	
2	environmental economics Vs traditional	Lecture method	
2	economy environment interaction-ppf model	Lecture method	
2	material balance model	Lecture method	
2	law of thermodynamics and entropy	Lecture method	

2	environmental input output model	Lecture method	
2	environmental kuznet curve hypothesis	Lecture method	
2	concept of sustainable development	Lecture method	
2	seminar	discussion	
2	revision	discussion	
2	pareto optimality and competitive equilibrium	Lecture method	
2	externality and market inefficiency	PPT	
2	externality as missing market	PPT	
2	property rights and externalities	PPT	
2	environmental demand theory	Lecture method	
2	olsons theory of collective action	Lecture method	
2	common property resources	Lecture method	
2	environmental quality as a public good	Lecture method	
2	hardins thesis of tragedy of commons	Lecture method	

2	seminar	discussion	
2	seminar	discussion	
2	revision	discussion	
2	i1st IAT		
2	discussions		
2	environmental valuation- total economic value use value, non use value, option value and bequest value	PPT	
2	weak complementarity	PPT	
2	production function based technique	Lecture method	
2	travel cost method	Lecture method	
2	hedonic price method	Lecture method	
2	stated preference methods	Lecture method	
2	contingent valuation method	Lecture method	
2	choice modeling	Lecture method	
2	benefits transfer method	Lecture method	
2	environmental accounting	Lecture method	
2	integration of environmental accounts with system of national accounts	Lecture method	
2	green GNP	PPT	
2	concept of environmental impact assessment	PPT	

2	social cost benefit analysis	Lecture method	
2	seminar	DISCUSSION	
2	seminar	DISCUSSION	
2	revision	DISCUSSION	
2	treating environment externalities	PPT	
2	polluter pay principle	PPT	
2	pigouvian taxes and subsidies	PPT	
2	marketable pollution permits	PPT	
2	international carbon tax	PPT	
2	eco-labeling	PPT	
2	coase theorem and bargaining	Lecture method	
2	the need for an environmental policy	DISCUSSION	
2	domestic environmental policy-the indian experience	Lecture method	
2	seminar	DISCUSSION	
2	seminar	DISCUSSION	
2	seminar	DISCUSSION	
1	2nd IAT		
2	discussions		

**COURSE PLAN – CAPITAL MARKET**

<b>MODULE I</b>			
<b>Sl.No</b>	<b>Sessions</b>	<b>Topic</b>	<b>Method of Teaching</b>
1	2	Need for savings and investment	L
2	3	Charactersitics of investment	L
3	3	Investment Avenues	PPT
4	2	Investment vs Speculation	L
5	1	Individual investors	L
6	3	Institutional investors	L
7	2	Foreign Institutional Investors	L
8	2	Risks of Investment	L
9	3	Return on Investment	L
10	1	CIA - 1	
11	1	Question paper discussion	D, Q&A
<b>MODULE II</b>			
12	2	Capital market origin and development	L
13	2	Functions of capital market	L
14	2	Capital market instruments	L
15	2	New Issue Market/IPO	L
16	1	Book buliding	L
17	2	Listing	L
18	1	Rights issue	L
19	2	Trading process	L
20	2	Online trading	L
21	2	Security market in India	L
22	1	Role of SEBI	L
23	1	Stock Exchanges in India	L
24	2	Functions of Stock Exchange in India- NSE, BSE, MCX	PPT
25	1	ETF	L
26	1	Stock market indices	L
27	2	Derivatives, futures and options	L

Sl.No	Sessions	Topic	Method of Teaching
28	2	Bond market & yield curve analysis	L
29	1	NSDL & CDSL	L
30	1	Credit rating	P P T
<b>MODULE III</b>			
31	1	Interest rate	L
31	1	Types of interest rate	L
32	2	Theories of interest rate	L
32	2	Net Present Value	L
33	2	DCF	L
33	2	Practical Applications	L
34			
35			
36			
37	3	Revision	
38	1	CIA - 2	
39	2	Question paper discussion	
40	4	Seminar sessions	
<b>MODULE IV</b>			
53	3	Financial Statement analysis	L
54	2	Balance sheet of a company	L
55	2	Profit & Loss account	L
56	2	Equity valuation	L
57	2	Value concepts	L
58	2	Earnings Ratio	Q & A
59	5	Seminar sessions	
60	2	Revision	

<b>TEXTBOOKS AND REFERENCES</b>	
1	Prasanna Chnadra- Investment Analysis and Portfolio Management- Tata McGraw Hill
2	Fisher & Jordon- Security Analysis and Portfolio Management
3	Bhole L M - Financial Institutions and Markets- Tata McGraw Hill
4	Avadani V A- Securities Market- Himalaya Publishing House
5	RBI Bulletin, CMIE Report, Prime Data base, sebi.com, nseindia.com, bseindia.com

**COURSE PLAN**

<b>PROGRAMME</b>	<b>COURSE TITLE</b>	<b>SEMESTER</b>	<b>Hours</b>	<b>CREDIT</b>
<b>M.A. ECONOMICS</b>	<b>CO-OPERATION AND RURAL DEVELOPMENT</b>	<b>4</b>	<b>5</b>	<b>4</b>
<b>FACULTY NAME</b>	<b>Dr. V T Jose</b>			

	<b>Sessions</b>	<b>Topic</b>	<b>Method</b>
<b>MODULE I</b>			
1	2	Principles, Meaning and Significance	Discussion
2	2	Importance and Benefits of Co-operation-co-operation and other forms of business enterprises	discussion
3	3	Co-operation and Economic Development-History and Growth of Co-operative Movement in India-Acts of 1904 and 1912	Ppt discussion
4	3	All India rural Credit Survey Committee-Rural Co-operative Credit Structure	Ppt/ Discussion
5	2	Primary Agricultural Credit Co-operative Bank their working structure, problems and suggestions	Ppt + lecture
6	3	Urban Co-operative Societies and Agricultural Marketing	Ppt + lecture
7	3	Co-operative Consumer Co-operatives-NCDC	Ppt + lecture
	4	Seminar	
<b>MODULE II</b>			
8	2	RBI and Agricultural Credit Department	Ppt+ discussion
9	2	Role of NABARD and RRBs	Lecture+ discussion
10	3	Nature and Structure of Rural Economy.-V.M. Dandekar's Approach to Rural Development	Ppt, lecture
11	2	Rural Poverty and Rural Unemployment –Nature, Causes and Remedies	Ppt,discussion / Graph
12	2	Rural Indebtedness –Relief Measures Role of 61SHGS and Micro Finance	Ppt, discussion
13	2	Micro Finance in India and Bangladesh	Ppt, discussion
14	2	Islamic Banking	Ppt, discussion
15	2	Rural Development Programme of Government of India-Food for Work Programme	Ppt, discussion
16	2	unorganised rural credit institutions-	Lecture, discussion

17	2	decentralized planning and rural development-rural employment guarantee programme	Ppt, discussion
18	2	Small Farmers Development Agency-National Rural Employment Guarantee Programme	Lecture, discussion
19	3	Financial Liberalisation and Rural Credit in India	Ppt/ lecture /discussion
21	2	Investment in human capital	Ppt, lecture
	5	Seminar	

<b>Module III</b>			
22	3	Co-operative Movement in Selected Countries	Ppt, discussion
23	5	History and Growth of Co-operative Movement in Japan, Germany, France, Ireland, Denmark, Great Britain and Sweden	Ppt, discussions
24	5	International Co-operative Alliance-specialised co-operatives in various countries	Ppt, discussions
	5	Seminar	
	7	Revision	

### References

- Krishna Swamy D.R -Fundamentals of Co-operation
- Jalal R.S. –Rural Co-operatives in India, Anmol Publications Pvt. Ltd., New Delhi.
- Shakuntala Devi-Rural Credit and Agricultural Development, Sarup & Sons, New Delhi -1996.
- Hough E.M. –Cooperative Movement in India, Oxford University Press, Bombay - 1959.
- Kulkarni K.R., Theory and Practice of Cooperation in India and Abroad.Cooperative Book Depot, Bombay-1958.
- Tripathi S.N. –Cooperatives growth and New Dimensions, Discovery Publishing House, New Delhi 2000.