

# **SOPHIA COLLEGE (Autonomous)**

## **TYBA ECONOMICS- (SEMESTER –VI)**

### **COURSE STRUCTURE**

**(APPLICABLE FROM ACADEMIC YEAR 2020-2021)**

#### **PREAMBLE:**

The Board of Studies in Economics, Sophia College for Women (Autonomous) has finalized the syllabi of papers at the TYBA which will be made effective from the Academic Year 2020-2021. The syllabus of TYBA has been framed keeping in view the recent trends in the subject of economics. The papers which would be offered to the students of Sophia College at TYBA in Semester V and Semester VI have been enlisted below. A broad overview of the structure, followed by the syllabi of individual papers, is given below.

#### **DURATION:**

The course shall be a full-time course.

The duration of B.A. course shall be of Three years /Six Semesters.

- FYBA: SEMESTER – I & II (One paper each semester)
- SYBA: SEMESTER – III & IV (Two papers each semester)
- TYBA: SEMESTER – V & VI (Six papers each semester)

#### **PATTERN:**

The T.Y.B. A. [Entire Economics] Course shall have 12 papers. Every semester shall have six papers, each carrying 100 marks. However students can opt for a combination of any two subjects (Economics and any other subject) in which every semester shall have three papers of each subject.

#### **Allotment of Lectures:**

The allotment of lectures is as per the common guidelines stipulated by the Academic Council for Humanities of University of Mumbai.

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## **COURSE STRUCTURE**

**(APPLICABLE FROM THE ACADEMIC YEAR 2020-2021)**

### **TYBA ECONOMICS- (SEMESTER –VI)**

**The following Economic papers would be offered to the TYBA students of Sophia College in Semester VI:**

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#### **MACROECONOMICS: ECONOMICS PAPER IV**

##### **SEMESTER VI, COURSE CODE: SBAECO601**

***Preamble:***

*This course introduces the students to formal modelling of a macroeconomic theory with analytical tools. It covers goods & financial markets equilibrium in the closed and the open economy. It analysis the implications of openness on goods & financial markets, discusses the Mundell Fleming Trilemma and the benefits and costs of fixed and flexible exchange rates. It also intends to familiarize students with a brief history of the international monetary system and the role of key international institutions in managing the financial crisis.*

**Course Objectives:**

1. To introduce the students to formal modelling of a macroeconomic theory with analytical tools.
2. To make students understand the implications of openness on goods & financial markets,
3. To discuss the Mundell Fleming Trilemma and the benefits and costs of fixed and flexible exchange rates.
4. To familiarize students with a brief history of the international monetary system.

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## Course Outcomes:

1. Students will be able to explain and derive (graphically & algebraically) the IS & LM relationship.
2. Students will be able to identify factors affecting the slopes & position of the IS & LM curves.
3. Students will be able to analyse the effects of different slopes of IS & LM curves on the efficacy of monetary and fiscal policy..
4. Students will be able to understand the implications of openness for goods & financial markets equilibrium.
5. Students will be able to describe the advantages and disadvantages of fixed/ Flexible exchange rates.
6. Students will be able to understand the concepts of nominal, real, effective exchange rates.
7. Students will be able to solve numerical problems based on open economy equilibrium equations for goods/financial markets.
8. Students will be able to suggest the policy mix given a situation related to macroeconomic problems.
9. Students will be able to explain the policy trilemma in macroeconomics,
10. Students will be able to trace the evolution of international exchange standards.
11. Students will be able to understand the factors leading to the currency crisis.
12. Students will be able to analyse the link between the banking, debt and financial crisis.

### **Module 1: The Goods Market & Financial Markets in the Closed Economy:** (17 lectures)

Product Market Equilibrium (IS) curve - Derivation of IS Curve: algebraic & graphical method, Factors influencing slope & position of the IS Curve -Fiscal & Monetary Policy & the IS curve. Assets Markets Equilibrium (LM) curve - Derivation of LM curve: algebraic & graphical method, Factors influencing the slope & position of the LM curve. Fiscal & Monetary Policy & LM curve. General Equilibrium in the IS - LM curves Model. Nature of Equilibrium - Fiscal & Monetary Policy efficacy & slopes of the IS & LM curves.

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### **Module 2: The Goods Market & Financial Markets in the Open Economy and**

#### **Mundell-Fleming:**

(17

lectures)

Trade Balance and its implications for GDP calculations, Export and Import Functions, The Real Exchange Rate and why it matters, why equilibrium GDP is consistent with a trade imbalance, Fiscal and Exchange Rate Policy with a Fixed Exchange Rate. The IS & LM equations for the open economy, Uncovered Interest Parity and its implications for exchange rate determination, the combined IS/LM/UIP model; Fiscal and Monetary Policy under Fixed and Flexible Exchange Rates, The Mundell-Fleming trilemma.

### **Module 3: International Monetary System and Financial Crisis**

(17 lectures)

A brief history of international monetary system: The Gold Standard (1815 to 1914), The Inter-War Period (1919 – 1939), The Gold Exchange Standard- Bretton Wood (1944 to 1971), the collapse of the Bretton Woods system, The Ushering of Flexible Exchange Rates and Currency Instability (1971-1985), The Current System of Managed Floats and Targeted Inflation: 1985 – Present.

Key institutions: International Monetary Fund & the World Bank.

The choice of exchange rate regime: Fixed vs. Flexible Rates- Exchange Rate Crises, The relation between Exchange Rate crises and other kinds of crises (banking crises, debt, financial crises, etc.).

#### **References**

1. Blanchard, Oliver; Macroeconomics (4th edition, 9th impression), Pearson education, New Delhi, India.
2. Dornbusch R S, Fischer and R Startz; Macroeconomics, 8e Tata Mc Grow Hill, New Delhi 2004.
3. Froyen, R. T.; Macroeconomics: Theory and Policy, Pearson Education Asia, Delhi 2001.
4. Mankiw, Gregory; Macroeconomics, 6e, Worth Publishers, New York, 2003.
5. Salvatore, D.; International Economics, Printice Hall, New York, 1997.
6. Robert Feenstra & Alan Taylor, International Macroeconomics, 2nd ed.

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## **INTERNATIONAL ECONOMICS: ECONOMICS PAPER V**

### **SEMESTER –VI COURSE CODE: SBAECO602**

#### **Course Objectives:**

1. This course develops a systematic exposition of models which explain the composition, direction, and consequences of international trade, and the determinants and effects of trade policy.
2. Provide students with an analytical account of the causes and consequences of the rapid expansion of international financial flows in recent years.
3. Describe country specific case studies. Analyze the role of trade in economic development and discuss the role of regional trade blocs.

#### **Course Outcomes:**

1. Understand the nature, scope and theories of international trade. Applicability of trade theories to the real world situation.
2. Critically analyze the role of MNCs, and FDI in the development process. t
3. Understand the importance of new trade agreements, trade instruments and regional trade blocs in the global economy.

#### **Module 1: Introduction of International economics and trade theories** (17 lectures)

Importance of the study of International Economics - Distinction between domestic & international Trade. Adam Smith's Theory of International Trade, The Ricardian Theory - Heckscher- Ohlin Theory of International Trade, Leontief Paradox- Terms of trade, Law of reciprocal demand and offer curves

#### **Module 2: International Trade and Economic Development** (17 lectures)

An overview of world trade - pattern of trade, gravity model. Trade as an engine of growth, Vent for Surplus- Concepts of terms of trade- Prebisch – Singer thesis - Export Orientation and Import substitution: India vs South Korea, Understanding China's growth. Trade problems of developing countries, International Capital flows - FDI: The concept and role, FDI Inflows- FDI Outflows, MNC's, BPO's.

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### **Module 3: Trade Policy, Restriction and Economic Integration**

(17

lectures)

Instruments of trade policy; International Commodity Agreements, Protectionism - Why countries cooperate? - GATT, GATS, - Trans – Pacific Partnerships

#### **References:**

1. Paul Krugman, Maurice Obstfeld, and Marc Melitz, International Economics: Theory and Policy, Addison-Wesley (Pearson Education Indian Edition), 9th edition, 2012.
2. Dominick Salvatore, International Economics: Trade and Finance, John Wiley International Student Edition, 10th edition, 2011.
3. Gordon Hanson, „The Rise of Middle Kingdoms: Emerging Economies in Global Trade”, Journal of Economic Perspectives, Spring 2012.
4. Melitz M. and Trefler D., “Gains from Trade When Firms Matter”, Journal of Economic Perspectives, Spring 2012.
5. Kindleberger Charles P, International Economics, Homewood, USA, 1978
6. Bo Sodersten and Geoffrey Reed, International Economics, Palgrave Macmillan, 1994.

## **INDIAN FINANCIAL SYSTEM: ECONOMICS PAPER VI**

### **SEMESTER VI, COURSE CODE: SBAECO603**

#### **Course Objectives:**

1. The basic purpose of this paper is to acquaint students with various components of the Indian financial system, its working and the trends that have taken place over the years especially since financial sector reforms.
2. Acquaint the students with the role of RBI' Monetary policy framework, role of NBFIs, NBFC's and financial services like insurance, mutual fund etc.
3. To Provide a detailed understanding of how capital market and money market operates and recent reforms in the capital market and money market

#### **Course Outcomes:**

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1. Students will be able to describe the various components of financial systems.
2. Students will be able to explore the role of financial markets, institutions, markets and services.
3. Students will be able to analyse the relationship between financial sector development & economic development.
4. Examine RBI's monetary policy and transmission mechanism of monetary policy. Familiarize with the operations and growth of financial markets and services.
5. Students will be able to differentiate between the capital market and money market.
6. Students will be able to describe the operations in the secondary market.
7. Students will be able to state the features of different instruments traded in the money market.
8. Students will be able to state the recent reforms in the capital market and money market.
9. Students will be able to evaluate the role of SEBI as a regulator of the capital market in India.
10. Students will be able to explain the basic terms and concepts in the debt market and describe the debt market operations.

### **Syllabus**

#### **Module 1: Indian Financial System: Structure, Trends and Turns** (13 lectures)

Meaning and components of the Financial System - Financial System and Economic Development - Indicators of Financial Development: FR, FIR, NIR and IR – Overview of financial sector reforms since 1990s – Trends and turns in Indian financial sector: 1950-2017.

#### **Module 2: Monetary Policy of RBI, NBFIs and NBFCs in India** (13 lectures)

Monetary policy of the RBI –Changes in RBI monetary policy since 1990s - Monetary Policy Committee (MPC), Management of Non-Performing Assets (NPAs); Capital Adequacy Norms - Basel Accord III. Transmission Channels of Monetary policy  
Non-Banking Financial Intermediaries in India, NBFCs in India - Insurance sector, Investment/Merchant banking, Mutual funds, Credit Rating agency, Payment Banks, Mudra Bank

#### **Module 3: Money and Capital Markets in India** (13 Lectures)

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Money Market: Components/ Instruments of organized money market – Features of Indian Money Market– Reforms in the money market.

Capital Market: Structure of the Indian Capital Market – Recent Developments in the Capital Market – Role of SEBI - Interlink between Money Market and Capital Market - Overview of Debt Market in India

### **References:**

1. Pathak, Bharati, The Indian Financial System –Markets, Institutions, and Services, Pearson Education, New Delhi, 2008.
2. Bhole, L. M, Financial Institutions and Markets, Growth and Innovation, Tata McGraw-Hill, New Delhi, 2008.
3. Khan, M.Y, Financial Services, Tata McGraw Hill, New Delhi, 2007.
4. Reserve Bank of India (various issues) Report on Currency and Finance, RBI, Mumbai. rbi.org.
5. Rakesh Mohan &Partha Ray, Indian Financial Sector: Structure, Trends & Turns; IMF Working Paper (WP/17/7). <https://www.imf.org>> Issues > 2017/01/20
6. Dutta Abhijit, Indian Financial System, Excel Books, Delhi, 2012.

## **MATHEMATICAL AND STATISTICAL TECHNIQUES FOR** **ECONOMIC ANALYSIS: ECONOMICS PAPER VII** **SEMESTER VI -COURSE CODE-SBAECO604**

***Preamble:** This paper proposes to equip the students with analyzing skills with sound footing of relevant mathematical and statistical techniques. Economic analysis and interpretation of data cannot be carried out in the absence of knowledge of these techniques narrated here.*

### **Course Objectives:**

1. Develop the requisite quantitative skills needed for application of mathematical techniques in economics.
2. Apply the methods of partial differentiation and integration in solving problems and understanding of economics
3. To equip students with the tool to study the relationship between two or more variables.



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4. To introduce the concept of linear regression using OLS.
5. To expose students to the concepts of index numbers & time series.

### Course Outcomes:

1. Students will be able to use the method of partial differentiation to obtain various functions like marginal revenue, marginal product, marginal cost
2. Students will be able to calculate price, income and cross elasticity of demand given the demand function.
3. Students will be able to calculate constrained optimisation problems in economics
4. students will be able to apply integration method to obtain various economic functions like total revenue, total cost, consumption function ,etc
5. Students will be able to apply integration to calculate present value, consumer's surplus, producer's surplus,
6. Students will be able to apply a method of integration learning curve to calculate labour requirement.
7. Students will be able to compute numerical problems based on correlation & regression analysis.
8. Students will be able to solve numerical problems based on index numbers and time series analysis.
9. Students will be able to describe the application & limitations of index numbers.

### Syllabus:

#### Module1: Techniques and applications of partial derivatives

(13 lectures)

Functions of several variables and partial derivatives

Second order partial derivatives

Optimisation of multivariable functions

Constrained optimisation with Lagrange multiplier and its economic interpretation.

Marginal productivity, Income and price elasticities of demand

Homogeneous production functions and returns to scale

Cobb-Douglas production function

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## **Module 2: Integral Calculus**

**(13 lectures)**

Integration and Definite integral

Using integration to find area under the curve

Economic applications

Present value of cash flows (present value of a sum to be received in future and present value of a stream of future income)

Consumer's and Producer's Surplus

Learning curve

## **Module 3: Correlation and Regression**

**(13 lectures)**

The meaning and significance of Correlation Analysis

Scatter plot of Bivariate Distributions: Correlation and Causation

Karl Pearson's coefficient of correlation

Spearman's rank correlation coefficient

Simple regression analysis- Method of Least Squares

Regression Lines and Regression Coefficients

Relationship between correlation coefficients and regression coefficients.

## **Module 4: Index Numbers and Time Series**

**\_(13 lectures)**

Simple and composite index numbers

Construction, uses and problems of index numbers

Laspeyre's, Paasche's and Fisher's Index numbers

Cost of living index numbers-real income – wholesale price index number

Splicing of index numbers

Components of time series

Estimation and forecasting of trend by the Least Squares Method

## **References:**

1. Dowling Edward T: Introduction to Mathematical Economics, Schaum's Outline Series in Economics, Tata McGraw Hill, New Delhi, 2004
2. Lerner Joel J and P. Zima: Theory and Problems of Business Mathematics, McGraw Hill, New York, 1986.

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3. Dowling Edward T: Theory and Problems of Mathematical methods for Business and Economics, McGraw –Hill, 1993
4. Gupta S.P.: Statistical Methods, S. Chand, New Delhi.
5. Sancheti D. C. and V. K. Kapoor: Statistics-Theory, Methods and Applications, S. Chand, New Delhi

### **THEORY AND PRACTICE OF ECONOMETRICS: PAPER VIII(A)**

#### **SEMESTER VI - COURSE CODE SBAECO605(A)**

***Preamble:** The paper aims to help students understand the art of model building. It focuses on building the appropriate model and testing it statistically to apply it to the practical problems in forecasting and analysis.*

#### **Course Objectives:**

1. To help understand the assumptions underlying the method of OLS and consequences of its violations.
2. To give an understanding of basic knowledge of how to detect and treat violations of OLS assumptions.
3. To introduce advanced methods and techniques in econometrics.

#### **Course Objectives:** Students will be able to

1. Explain the consequences of violation of assumption underlying the OLS method of estimating a regression model.
2. Detect problems like multicollinearity, heteroscedasticity, autocorrelation, omitted variables bias in the regression model.
3. Treat problems like multicollinearity, heteroscedasticity and autocorrelation in the regression model.
4. Explain the methods used in estimating panel data models.
5. Describe the method of estimating the Distributed lag model.
6. Define the concept of stationarity.
7. State the properties of AR(1), MR(1) and ARMA models.

#### **Syllabus:**

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## **Module 1: Generalised Least Squares**

**(17 Lectures)**

Autocorrelation & Heteroscedasticity: Meaning, implication, tests, remedy: FGLS & GLS

Multicollinearity: Nature of the problem, sources, consequences, detection: VIF and remedial measures

## **Module2: Regression and Causality**

**(17 Lectures)**

Errors in measurement of independent variable

Omitted Variable Bias

Instrumental variables , estimation and inference

Simultaneity bias, identification and instrumental variables

## **Module 3: Topics in Econometrics**

**(17 Lectures)**

Introduction to Panel data: Fixed and random effects

Introduction to time series models; Classical decomposition of time series, moving average models, linear and log linear trends.

Distributed lag model

### **References:**

1. Gujarati Damodar (2012), Basic Econometrics, Tata McGraw Hill Education Private Limited, New Delhi.
2. Hatekar Neeraj (2010), Principles of Econometrics An Introduction [Using R], Sage Publications India Pvt Ltd.
3. A.H. Studenmund (2017), A Practical Guide to using Econometrics, Pearson India Education Services Pvt. Ltd.
4. Dougherty Christopher , (2011), Introduction to Econometrics, Oxford University Press.
5. Salvatore Dominick, Theory and Problems of Statistics and Econometrics, Schaum's outline series.

## **DEVELOPMENT THEORY AND EXPERIENCE: ECONOMICS PAPER VIII (B)**

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## **SEMESTER VI, COURSE CODE: SBAECO605B**

### **Course Objectives:**

1. This is the second paper of economic development sequence. The course begins with demographic concepts and their evolution during the process of development. Students would also understand the problem of the aging population and India's population policy.
2. To explore the structural transformation process for the developing countries.
3. To make students aware about the field of RCT's as a new evolving field of research in economics. The structure of rural agricultural markets and contracts is linked to the particular problems of enforcement experienced in poor countries.
4. To sensitize students about the environmental policy debates.

Then it focuses on the structural transformation theories, the theory migration and discusses the link between migration and development. The course ends with the issues related to environment and development.

### **Course Outcomes:**

1. Students will be able to understand the demographic changes taking place globally.
2. A realistic view of the Agricultural sector and understanding about the emerging field of research in economics.
3. Students will be able to explain with the help of a diagram Lewis Model, Structural change model.
4. Students will be able to trace the trends in urbanization with reference to India.
5. Students will be able to evaluate the policies related to the urban informal sector.
6. Students will be able to understand the differences in the formal and informal sector activities.
7. Students will be able to appreciate the role of migration in the process of development.
8. Students will be able to describe the main features of the Harris- Todaro model.
9. Students will be able to examine the relationship between economic development & environmental quality.
10. Students will be able to analyse issues related to air pollution, groundwater exploitation & deforestation.

### **Module I: Demography and Development**

(17 lectures)

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Demographic concepts; birth and death rates, age structure, total fertility rates, fertility and mortality; demographic transitions during the process of development; gender bias in preferences and outcomes and evidence on unequal treatment within households; connections between income, mortality and fertility choices; Aging population- Social & Economic Challenges & Policy Implications. Population Stabilization; Population policy in India

### **Module II: Structural Transformation**

(17 lectures)

The Lewis model –Clark-Fisher model of structural change, Urbanization: Trends and Projections with reference to India, Urbanization and Development, Causes of urbanization, Urban informal sector, Policies for the urban informal sector, Migration and development, Economic theory of rural-urban migration: Harris-Todaro migration model.

### **Module III:**

(17 lectures)

#### **(A) Modern Development Economics**

RCT and its Applications; Role of Agriculture in Economic Development, Market Failure and Agriculture, The distribution of land ownership; Land reform and its effects on productivity; contractual relationships between tenants and landlords; Land Acquisition; Nutrition and Labor Productivity; Rural Credit Market; Inter-linkages between Rural Factor Markets

#### **(B)The Environment and Development**

#### **Module III (b): The Environmental Policy Debates –**

The relationship between economic development and environmental quality. The causes of over-use of environmental capital by humans: common pool resources, Development & Forests, Ground Water Policy, Air Pollution. Nordhaus' model examining the consequences of climate policy interventions, for example carbon taxes.

### **References-**

1. Debraj Ray, Development Economics, Oxford University Press,2009.
2. Partha Dasgupta, Economics: A Very Short Introduction, Oxford University Press,2007.
3. Abhijit Banerjee, Roland Benabou and Dilip Mookerjee, Understanding Poverty, Oxford University Press,2006.

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4. Amartya Sen, Development as Freedom, Oxford University Press, 2000.
5. Daron Acemoglu and James Robinson, Economic Origins of Dictatorship and Democracy, Cambridge University Press, 2006.
6. Michael Todaro and Stephen Smith: Economic Development, 12th edition, (2015) Pearson Publication
7. 8. A P Thirlwall, Growth & Development, with special reference to developing countries, 5<sup>th</sup> edition, (1994), The Macmillan Press Ltd.
8. Field, Barry C., | Field, Martha K, Environmental Economics, An Introduction, 7th edition, (2017), Published by McGraw-Hill.
9. Jane Roberts, (2004), Environmental Policy, Routledge.
10. ‘Experimental Economics: A Survey’ by Daniel Friedman, Gautam Gupta, Neeraj Hatekar, Santanu Mitra, Shyam Sunder, Sujoy Chakravarty, Economic & Political Weekly, Vol. 46, Issue No. 35, (27 Aug, 2011).
11. India Infrastructure Report 2011 Water: Policy and Performance for Sustainable Development, Oxford University Press, 2011.
12. Kenneth Gillingham, “William Nordhaus & the cost of Climate Change” (19 October 2018) from - <https://voxeu.org/article/william-nordhaus-and-costs-climate-change>
13. <https://www.lse.ac.uk/granthaminstitute/news/a-nobel-prize-for-the-creator-of-an-economic-model-that-underestimates-the-risks-of-climate-change/>

### **INTERNATIONAL TRADE, POLICY AND PRACTICE: ECONOMICS PAPER IX**

#### **SEMESTER VI, COURSE CODE: SBAECO606**

***Preamble:*** This course is designed for exploring contemporary issues related to the International Trade Policy and Practice. The main objective of this course is to familiarize students with current issues in the field of International Trade Theory and Policy.

#### **Course Objectives:**

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1. To trace advances in the development of international trade theory.
2. To explore contemporary policy issues related to international trade.
3. To discover the issues involved in the settlement of international trade transactions & finance.

### Course Outcomes:

1. Students will be able to explain the three theorems associated with the modern theory of trade.
2. Students will be able to identify the contributions made by Heckschr, Ohlin, Samulson, Stolper, Rybezynski and others to the field of international trade theory.
3. Students will be able to prove using graphical presentation the effect of free trade on international factor prices.
4. Students will be able to describe the effect of free international trade on factor incomes.
5. Students will be able to trace the impact of different factor intensities on their incomes.
6. Students will be able to explain the pattern of international trade with imperfect competition.
7. Students will be able to analyze the effect of technological progress & economies of scale on trade patterns.
8. Students will be able to evaluate arguments for and against free trade.
9. Students will be able to evaluate arguments for and against protectionism.
10. Students will be able to distinguish between the tariff and nontariff instruments of trade policy.
11. Students will be able to analyse with the help of a diafram the economic effects of tariff.
12. Students will be able to make relative comparison between tariff, quota, subsidies and voluntary restraints.
13. Students will be able to argue for & against Free & Flexible Exchange Rate Regimes.
14. Students will be able to understand the emergence of the trade blocs & working of EU, WTO & G20.
15. Students will be able to explain the evolution of the international financial system.
16. Students will be able to discuss the issues related to the capital account convertibility.



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### **Module 1: Introduction to advances in International Trade Theory** (13 lectures)

The three basic theorems of the Heckscher-Ohlin-Samuelson model: the factor-price equalization theorem, Stolper-Samuelson theorem, the Rybczynski theorem, Specific Factors and Income Distribution: The Specific Factor Model, New Trade Theories: trade theories based on economies of scale, imperfect competition, and differences in technological changes among nations.

### **Module 2: International Trade Policy & Emerging New international Economic Order.**

(13 lectures)

The political economy of trade policy: Case for and against free trade, Protectionist Trade Policy, Instruments for regulating trade: Tariffs, Non-Tariff Instruments - Import Quota, Voluntary Restraints of Exports, Export Subsidies, technical, administrative, and other regulations. International Negotiations and trade policy: Regional Integration Versus Multilateralism - Regional Trade Blocs- Types -WTO, EU & G 20.

### **Module 3: International Monetary Relations** (13 lectures)

Foreign Exchange Rate: Concepts - Spot and Forward rates - Foreign Exchange rate determination: short run and long run – Fixed and flexible exchange rate system, Balance of Payments: Current Account, Capital Account, Currency Convertibility. Emerging Global Financial Architecture: Meaning of the term “global financial architecture”-emerging trends, Analysis of the three aspects of the trilemma- monetary independence, exchange rate stability, and financial openness.

### **References:**

1. Robert J Carbaugh, International Economics, South-Western Cengage Learning, USA, 2017.
2. Paul R Krugman, Maurice Obstfeld and Melitz Mark, International Economics: Theory and Policy, Princeton University, USA, 2015.
3. Dennis R Appleyard, Alfred J Field, International Economics, McGraw-Hill, USA, 2013.
5. Kindleberger Charles P., International Economics, 3rd edition, R. D. Irwin, Homewood, IL, 1963.

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6. Bo Sodersten and Geoffrey Reed, International Economics, 3rd Edition, Palgrave Macmillan; (May 15, 1994)
7. Gowland, David, International Economics. (1983), Routledge
8. Andrew Crockett, “Reforming the Global Financial Architecture”- Keynote Address, Asia and the Global Financial Crisis: Conference Volume edited by Reuven Glick Mark and M. Spiegel (October, 2009), [www.frbsf.org/economic-research/files/Crockett.pdf](http://www.frbsf.org/economic-research/files/Crockett.pdf)
9. Joshua Aizenman, Menzie D. Chinn, Hiro Ito, “Assessing the Emerging Global Financial Architecture: Measuring the Trilemma's Configurations Over Time”, (December, 2008), Working Paper 14533, National Bureau of Economic Research, Cambridge, <http://www.nber.org/papers/w14533>

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