

Scheme of Instruction & Syllabi
of
Bachelor of Arts (Honours) Economics

(Effective from the academic session 2022-2023)

Faculty of Science & Humanities

Invertis University
NH-24, Bareilly-Lucknow Highway, Bareilly

COURSE STRUCTURE OF B. A. Hons Economics

Invertis University, Bareilly offers B.A. (Hons) Economics programme aligned with Choice Based Credit System (CBCS) under which following types of courses are offered

- a. Core Courses (CC).** A core course is a compulsory course. A student of Economics (Hons) has to take fourteen such Economics courses over six semesters.
- b. Elective Courses (EC).** An elective course is a course that is to be chosen from a specified set of courses. These courses are of two types.
- c. Discipline Specific Electives (DSE).** These are elective courses that provide advanced undergraduate training in specialised areas of Economics. A set of seven, semester-specific, courses of this kind are offered in the fifth and sixth semesters of the Honours programme. In each of these semesters, a student has to take two such courses from the relevant semester's set of seven courses.
- d. Generic Electives (GE).** These courses, in disciplines other than Economics, are intended to broaden the training of a student in the Economics (Hons) programme. A student of Economics will take one such course, offered by another department, in each of Semesters I to IV.
- e. Ability Enhancement Compulsory Course (AECC).** Two such courses are to be taken, one in Semester I (Art of Communication, equivalent to MIL) and one in Semester II (Environmental Science).
- f. Skill Enhancement Course (SEC).** A student is to take one such course in Semester III and one in Semester IV.

1. Number of Courses and Credits

- a. Core Courses (CC):** 14 (6 credits each)
 - b. Discipline Specific Electives (DSE):** 4 (6 credits each)
 - c. Generic Electives (GE):** 4 (6 credits each)
 - d. Skill Enhancement Courses (SEC):** 2 (4 credits each)
 - e. Ability Enhancement Compulsory Courses (AECC):** 2 (4 credits each)
- Total number of courses (credits) taken by a student: 26 (148)**

Table 1. Semester-wise Distribution of Credits

Year	Semester	Courses x Credit per Course	Total Credits
First	I	2 DSC x 6	22
		1 AECC x 4	
		1 GE x 6	
	II	2 DSC x 6	22
		1 AECC x 4	
		1 GE x 6	
Second	III	3 DSC x 6	28
		1 SEC x 4	
		1 GE x 6	
	IV	3 DSC x 6	28
		1 SEC x 4	
		1 GE x 6	
Third	V	2 DSC x 6	24
		2 DSE x 6	
	VI	2 DSC x 6	24
		2 DSE x 6	
Total		26	148

Scheme of Instruction

B. A. Hons. Economics Third year

S. No.	Category	Course Code	SUBJECT	PERIODS			Evaluation Scheme		Subject Total	Credit
				L	T	P	CA	EE		
V-SEMESTER										
1	DSC-51	HEC501	Indian Economy I	5	1	0	50	100	150	6
2	DSC-52	HEC502	Development Economics I	5	1	0	50	100	150	6
3	DSE-51		DSE-1	5	1	0	50	100	150	6
4	DSE-52		DSE-2	5	1	0	50	100	150	6
TOTAL				20	4	0	20	400	600	24
VI-SEMESTER										
1	DSC-61	HEC501	Indian Economy II	5	1	0	50	100	150	6
2	DSC-62	HEC502	Development Economics II	5	1	0	50	100	150	6
3	DSE-61		DSE-3	5	1	0	50	100	150	6
4	DSE-62		DSE-4	5	1	0	50	100	150	6
TOTAL				20	4	0	20	400	600	24

Any two for DSE-51 & DSE-52	
HED051	Game Theory
HED052	Public Economics
HED053	Financial Economics
HED054	Applied Econometrics
HED055	Economic History of India
HED056	Political Economy I
HED057	International Trade

Any two for DSE-61 & DSE-62	
HED061	Economics of Health
HED062	Environmental
HED063	Open Economy Macroeconomics
HED064	Money and Financial Markets
HED065	Comparative Economic Development (1850-
HED066	Law and Economics
HED067	Political Economy II

KEYS:

DSC = Discipline Specific Course; **AECC** = Ability Enhancement Compulsory Course; **SEC** = Skill Enhancement Course; **DSE** = Discipline Specific Elective; **GE** = Generic Elective, **L**-Lecture, **T**-Tutorial, **P**- Practical, **CA**-Continuous Assessment, **EE**-Examination Evaluation.

1. Programme Objectives

The programme aims to:

1. Train students in basic economic theory
1. Equip students with the mathematical and statistical techniques necessary for a proper understanding of the discipline;
2. Discuss real world economic issues and problems facing the country and the world;
3. Enable students to understand proper policy responses to economic problems;
4. Train students to collect primary data and learn sampling techniques;
5. Train students to use statistical and econometric methods to arrive at conclusions about the validity of economic theories;
6. Train students to learn the art of economic modelling.

2. Programme Learning Outcomes

Students will:

1. Get an understanding of basic economic theory;
2. Learn the mathematical and statistical techniques necessary for a proper understanding of the discipline;
3. Get an introduction to real world economic issues and problems facing the country and the world;
4. Gain an understanding of proper policy responses to economic problems;
5. Get trained to collect primary data and learn sampling techniques;
6. Learn to use scientific empirical methods to arrive at conclusions about the validity of economic theories;
7. Get trained in the art of economic modeling.

3. Teaching Learning Process

Teaching and learning in this programme involves classroom lectures as well tutorials. The tutorials allow a closer interaction between the students and the teacher as each student gets individual attention. In tutorials, the teacher can keep track of each student's progress and address her/his individual difficulties. Written assignments and projects submitted by students as part of the course are also discussed in tutorials. Some courses also have a laboratory component and some require the students to undertake an independent research project and submit a written report at the end of the project. Research projects will encourage independent thinking among students and prepare them to carry out research on their own after completion of the degree. Students will be assigned regular home assignments and will be tested periodically through quizzes and class tests to ensure that they have properly learnt the course material.

4. Assessment Methods / Evaluation Scheme

Assessment methods and evaluation schemes will be as *per* University of Delhi norms. Practical papers will also follow the evaluation scheme of University of Delhi.

Core Courses

Semester-V

HEC501: Indian Economy I

Core Course (CC) Credit: 6

Course Objective

Using appropriate analytical frameworks, this course reviews major trends in economic indicators and policy debates in India in the post-Independence period, with particular emphasis on paradigm shifts and turning points.

Course Learning Outcomes

At the end of the course, a student should be able to understand the development paradigm adopted in India since independence and evaluate its impact on economic as well as social indicators of progress and well being.

Unit 1

Economic development since independence

Unit 2

Human Capital: Demography, health and education

Unit 3

Growth and Distribution: Poverty, inequality, unemployment and policy interventions

Unit 4

International comparisons

References

Given the topical nature of this course, some readings will change from year to year.

1. Balakrishnan, P. (2007). The recovery of India: Economic growth in the Nehru era. *Economic and Political Weekly*, 42(45-46), 52-66.
2. Bardhan, P. (2012). *Awakening giants, feet of clay: Assessing the economic rise of China and India*. Princeton University Press.
3. Basu, K., Maertens, A. (2007). The pattern and causes of economic growth in India. *Oxford Review of Economic Policy*, 23, 143-167.
4. Bhagwati, J., Panagariya, A. (2012). *India's tryst with destiny*, Collins Business.
5. Centre for Sustainable Employment. (2018). *State of working India 2018*. Azim Premji University.
6. Desai, S. (2015). Demographic deposit, dividend and debt. *The Indian Journal of Labour Economics*, 58, 217-232.
7. Dreze, J., Khera, R. (2017). Recent social security initiatives in India, *World Development*, 98, 555-572.
8. Dreze, J., Sen, A. (2013). *India: An uncertain glory*. Allen Lane.

9. Joshi, V. (2016). *India's long road: The search for prosperity*. Allen Lane.
10. Meenakshi, J. (2016). Trends and patterns in the triple burden of malnutrition in India. *Agricultural Economics*, 47, 115-134.
11. Ministry of Finance. (2016). Universal basic income: A conversation with and within the mahatma. Chapter 9 in *Economic Survey*, 172-212.
12. Panagariya, A., Mukim, M. (2014). A comprehensive analysis of poverty in India. *Asian Development Review*, 31, 1-52.
13. Rangarajan Committee. (2014). *Report of the expert group to review the methodology for measurement of poverty*. Government of India.
14. Rawal, V., Bansal, V., Bansal, P. (2019). Prevalence of undernourishment in Indian states: Explorations based on NSS 68th round data. *Economic and Political Weekly*, 54(15), 35-45.
15. Rodgers, G. (2018). Inequality in the Indian growth regime. *Indian Journal of Human Development*, 12, 134-148.
16. Thomas, J. (2014). India's labour market during the 2000s: An overview. In K. Ramaswamy (ed.): *Labour, employment and economic growth in India*. Cambridge University Press, 21-56.
17. Verick, S. (2018). Female labor force participation and development. *IZA World of Labor*, 2, 1-11.

Teaching Learning Process

Lectures and tutorials

Keywords

Indian economic development, government policy

HEC502: Development Economics I

Core Course (CC) Credit: 6

Course Objective

This is the first part of a two-part course on economic development. The course begins with a discussion of alternative conceptions of development and their justification. It then proceeds to aggregate models of growth and cross-national

comparisons of the growth experience that can help evaluate these models. The axiomatic basis for inequality measurement is used to develop measures of inequality and connections between growth and inequality are explored. The course ends by linking political institutions to growth and inequality by discussing the role of the state in economic development and the informational and incentive problems that affect state governance.

Course Learning Outcomes

This course introduces students to the basics of development economics, with in-depth discussions of the concepts of development, growth, poverty, inequality, as well as the underlying political institutions.

Unit 1

Conceptions of Development Alternative measures of development, documenting the international variations in these measures, comparing development trajectories across nations and within them

Unit 2

Growth Models and Empirics The Harrod-Domar model, the Solow model and its variants, endogenous growth models, and evidence on the determinants of growth

Unit 3

Poverty and Inequality: Definitions, Measures and Mechanisms Inequality axioms; comparison of commonly used inequality measures; connections between inequality and development; poverty measurement; characteristics of the poor; mechanisms that generate poverty traps, and path dependence of growth processes

Unit 4

Political Institutions and the Functioning of the State The determinants of democracy; alternative institutional trajectories and their relationship with economic performance; within-country differences in the functioning of state institutions; state ownership and regulation; government failures and corruption

References

1. Banerjee, A., Benabou, R., Mookerjee, D. (eds.) (2006). *Understanding poverty*. Oxford University Press.
2. Bardhan, P. (2010). *Awakening giants, feet of clay: Assessing the economic rise of China and India*. Oxford University Press.
3. Basu, K. (2007). *The Oxford companion to economics in India*. Oxford University Press.
4. Dasgupta, P. (2007). *Economics: A very short introduction*. Oxford University Press.
5. Deaton, A. (2013). *The great escape: Health, wealth and the origins of inequality*. Princeton University Press.
6. Hirschman, A. (1992). *Rival views of market society and other essays*. Ch. 3: "Linkages in Economic Development". Harvard University Press.
7. Human Development Report. Relevant years.
8. Olson, M. (1996). Big bills left on the sidewalk: Why some nations are rich, and others poor. *Journal of Economic Perspectives*, 10, 3-24.

9. Ostrom, E. (1990). *Governing the commons: The evolution of institutions for collective action*. Cambridge University Press.
10. Piketty, T., Saez, E. (2014). Inequality in the long run, *Science*, 344.
11. Ray, D. (1998). *Development economics*. Princeton University Press.
12. Rodrik, D. (2009). *One economics, many recipes: Globalization, institutions and economic growth*. Ch. 1: "Fifty Years of Growth (and lack thereof): An Interpretation". Princeton University Press.
13. Sen, A. (2000). *Development as freedom*. Oxford University Press.
14. Shleifer, A., Vishny, R. (1993). Corruption. *Quarterly Journal of Economics*, 108, 599-617.
15. Todaro, M., Smith, S. (2015). *Economic Development*. Pearson.

Teaching Learning Process

Lectures and tutorials

Keywords

Economic development, poverty, inequality

Semester-VI

HEC601: Indian Economy II

Core Course (CC) Credit: 6

Course Objective

This course examines sector-specific policies and their impact in shaping trends in key economic indicators in India. It highlights major policy debates and evaluates the Indian empirical evidence.

Course Learning Outcomes

At the end of the course, a student should be able to understand the role of economic policies in shaping and improving economic performance in agriculture, manufacturing and services.

Unit 1

Macroeconomic policies and their impact

Unit 2

Policies and performance in agriculture

Unit 3

Policies and performance in industry and services

References

Given the topical nature of this course, readings will be updated from year to year.

1. Anand, R., Kochhar, K., Mishra, S. (2015). Make in India: Which exports can drive the next wave of growth? *IMF working paper*, WP/15/119.

2. Banga, R. (2014). Trade facilitation and 'hollowing-out' of Indian manufacturing. *Economic and Political Weekly*, 49(40), 57-63.
3. Basole, A., Basu, D., Bhattacharya, R. (2015). Determinants and impacts of subcontracting: Evidence from India's unorganised manufacturing sector. *International Review of Applied Economics*, 29, 374-402.
4. Bhagwati, J., Panagariya, A. (2012). A multitude of labor laws and their reforms. In *India's tryst with destiny*. Collins Business.
5. Centre for Sustainable Employment. (2018). State of working India 2018. *Azim Premji University*.
6. Chanda, R. (2017). Services for Indian manufacturing. In M. Dev (ed.) *India Development Report*.
7. Chatterjee, S., Kapur, D. (2017). Six puzzles in Indian agriculture. *India Policy Forum* 2016, Vol. 17.
8. Das, D., Singh, J., Choudhury, H. (2018). Judicial production of labour market flexibility: Contract labour employment in Indian organised manufacturing. In Hill and Patil (eds.): *Employment policy in emerging economies*. Routledge.
9. Deakin, S., Halder, A. (2015). How should India reform its labor laws? *Economic and Political Weekly*, 50(12), 48-55.
10. Gulati, A., Saini, S. (2017) 25 years of policy tinkering in agriculture. In R. Mohan (ed.): *India transformed: 25 years of economic reforms*. Penguin.
11. Kapoor, R., Krishnapriya, P. (2019). Explaining the contractualisation of India's workforce. *ICRIER Working Paper* 369.
12. Kumar, N. (2015). FDI and portfolio investment flows and development: A perspective on Indian experience. In U. Kapila (ed.): *Indian economy since independence, 26th ed.* Academic Foundation.
13. Ministry of Finance. (2017). Climate, climate change and agriculture. Ch. 6 in *Economic Survey*.
14. Mohan, R., Ray, P. (2017). Indian financial sector - structure, trends and turns. *IMF working paper*.
15. Panda, M. (2017). Macroeconomic development and challenges for growth. In M. Dev (ed.): *India Development Report*.
16. Rajesh, S., Sen, K. (2016). Some puzzles about firms. *Economic and Political Weekly*, 51(7), 43-51.
17. Roychowdhury, A. (2019). Application of job security laws, workers' bargaining power and employment outcomes in India. *The Economic and Labour Relations Review*, 30, 120-141.
18. Sen, K., Das, D. (2015). Where have all the workers gone? The puzzle of declining labour intensity in organised Indian manufacturing. *Economic and Political Weekly*, 50(23), 108-115.
19. Veeramani, C., Dhir, G. (2017). Make what in India? In M. Dev (ed.): *India Development Report*.

Teaching Learning Process

Lectures and tutorials

Keywords

Economic development, sectoral performance, policy analysis

HEC602: Development Economics II

Core Course (CC) Credit: 6

Course Objective

This is the second course of the economic development sequence. It begins with basic demographic concepts and their evolution during the process of development. The structure of markets and contracts is linked to the particular problems of enforcement experienced in poor countries. The governance of communities and organizations is studied and this is then linked to questions of sustainable growth. The course ends with reflections on the role of globalization and increased international dependence on the process of development.

Course Learning Outcomes

This course teaches the student various aspects of the Indian economy, as well as important themes relating to the environment and sustainable development. It also introduces them to some issues of globalisation.

Unit 1

Demography and Development Demographic concepts; birth and death rates, age structure, 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, fertility choices and human capital accumulation; migration

Unit 2

Land, Labour and Credit Markets The distribution of land ownership; land reform and its effects on productivity; contractual relationships between tenants and landlords; land acquisition; nutrition and labor productivity; informational problems and credit contracts; microfinance; inter- linkages between rural factor markets

Unit 3

Environment and Sustainable Development Defining sustainability for renewable resources; a brief history of environmental change; common-pool resources; environmental externalities and state regulation of the environment; economic activity and climate change

Unit 4

Globalisation Globalisation in historical perspective; the economics and politics of multilateral agreements; trade, production patterns and world inequality; financial instability in a globalised world

References

1. Banerjee, A., Benabou, R., Mookerjee, D. (eds.) (2006). *Understanding poverty*. Oxford University Press.
2. Dasgupta, P. (2007). *Economics: A very short introduction*. Oxford University Press.
3. Kolstad, C. (2012). *Intermediate environmental economics*. Oxford University Press.

4. Meier, G., Rauch, J. (2005). *Leading issues in economic development*. Oxford University Press.
5. Nordhaus, W. (2013). *The Climate Casino*. Yale University Press.
6. Rajan, R. (2011). *Fault lines: How hidden fractures still threaten the world economy*. Princeton University Press.
7. Ray, D. (1998). *Development economics*. Princeton University Press.
8. Rodrik, D. (2011). *The globalization paradox: Why global markets, states and democracy can't coexist*. Oxford University Press.

Teaching Learning Process

Lectures and tutorials

Keywords

Demography, development, land, labour, credit, environment, sustainable development

Discipline Specific Elective Courses (DSE)

HED051: Game Theory

Discipline Specific Elective (DSE) Credit: 6

Course Objective

Game theory introduces the students to optimal decision making in interactive settings. This course will deal with the solution concepts for normal form and extensive form games, along with a variety of applications. Ideas related to asymmetric information among the interacting agents will also be analysed in this course. The course ends with the application of game theory to analyse moral hazard, adverse selection and signalling problems.

Course Learning Outcomes

The students will learn how to model multi-person decision making in an interactive setting. They will understand how to formulate different real life situations as games and learn to predict the optimal strategies of players and how the players can exploit strategic situations for their own benefit.

Unit 1

Normal form games The normal form; dominant and dominated strategies; dominance solvability; mixed strategies; Nash equilibrium; symmetric single population games; applications

Unit 2

Extensive form games with perfect information The game tree; strategies; subgame perfection; backward induction in finite games; commitment; bargaining; other applications

Unit 3

Simultaneous move games with incomplete information Strategies; Bayesian Nash equilibrium; applications

Unit 4

Extensive form games with imperfect information Strategies; beliefs and sequential equilibrium; applications

Unit 5

Information economics. Adverse selection; moral hazard; signalling games

References

1. Osborne, M. (2004). *An introduction to game theory*. Oxford University Press.

Teaching Learning Process

Lectures and tutorials

Keywords

Normal form games, extensive form games, complete information, Nash equilibrium, subgame perfect equilibrium, incomplete information, Bayesian Nash equilibrium, sequential equilibrium

HED052: International Trade

Discipline Specific Elective (DSE) Credit: 6

Course Objective

The purpose of this course is to inform the basics of international trade theory and to examine the effects of international economic policies on domestic and world welfare. This course develops a systematic exposition of models that try to explain the composition, direction, and consequences of international trade, and the determinants and effects of trade policy. Although the course is based on abstract theoretical models, students will also be exposed to real-world examples and case studies.

Course Learning Outcomes

The module aims to introduce students to the main theoretical and empirical concepts in international trade, equip students with a thorough analytical grasp of trade theory, ranging from Ricardian comparative advantage to modern theories of intra-industry trade, and familiarise students with the main issues in trade policy and with the basic features of the international trading regime. At the end of the course, the students should be able to demonstrate their understanding of the economic concepts of trade theory. In some models, the student will be required to deal with simple algebraic problems that will help them to better understand these concepts, use diagrammatic analysis to demonstrate and compare the economic welfare effects of free trade and protection, demonstrate their understanding of the usefulness and problems related to topics in international trade, and demonstrate their critical understanding of trade policies.

Unit 1

Introduction: What is international economics about? An overview of world trade. Stylized facts about international trade

Unit 2

Neoclassical trade theories: Ricardian trade theory (notion of comparative advantage and gains from trade due to specialisation); an introduction to the distributional effects of trade; the specific factor model; Heckscher-Ohlin theory: Rybczynski and Stolper-Samuelson theorems; Heckscher-Ohlin theorem; factor price equalisation

Unit 3

New trade theories: external economies of scale, internal economies of scale; the Krugman model; firm heterogeneity; international movement of factors; introduction to the theory of multinational firms

Unit 4

Trade policy: instruments of trade policy; tariffs, quotas, export subsidies, voluntary export restraints. The economics of trade policy; political economy of trade policy; controversies in trade policy

References

1. Feenstra, R., Taylor, A. (2014). *International economics, 3rd ed.* Worth Publishers.
2. Krugman, P., Obstfeld, M., Melitz, M. (2018). *International Economics - Theory and Policy, 11th ed.* Pearson Education.
3. Pugel, T. (2015). *International economics, 16th ed.* McGraw-Hill.

Teaching Learning Process

Lectures and tutorials

Keywords

International trade, theories and policy

HED053: Public Economics

Discipline Specific Elective (DSE) Credit: 6

Course Objective

Public economics is the study of government policy from the points of view of economic efficiency and equity. The paper deals with the nature of government intervention and its implications for allocation, distribution and stabilization. Inherently, this study involves a formal analysis of government taxation and expenditures. The subject encompasses a host of topics including public goods, market failures and externalities. The paper is divided into two sections, one dealing with the theory of public economics and the other with the Indian public finances.

Course Learning Outcomes

The module aims to introduce students to the main theoretical and empirical concepts in public economics, equip students with a thorough analytical grasp of implications of government intervention for allocation, distribution and stabilization, and familiarise students with the main issues in government revenues and expenditure. At the end of the module the students should be able to demonstrate their understanding of the public economics. In some models, the student will be required to deal with simple algebra problems that will help them to better understand these concepts, use diagrammatic analysis to demonstrate and compare the economic welfare effects of various environmental policy options, demonstrate their understanding of the usefulness and problems related to taxation and government expenditure, and demonstrate their critical understanding of public policies

Unit 1

Public Economic Theory: Fiscal functions: an overview; Public Goods: definition, models of efficient allocation, pure and impure public goods, free riding; Externalities: the problem and its solutions, taxes versus regulation, property rights, the Coase theorem; and Taxation: its economic effects; dead weight loss and distortion, efficiency and equity considerations, tax incidence, optimal taxation

Unit 2

Indian Public Finances: Tax System: structure and reforms; Budget, deficits and public debt; Fiscal federalism in India

References

1. Alam, S. (2016). GST and the states: sharing tax administrations. *Economic and Political Weekly*, 51(31).
2. Cullis, J., Jones, P. (1998). *Public finance and public choice*, 2nd ed. Oxford University Press.
3. Das, S. (2017). Some concepts regarding the goods and services tax. *Economic and Political Weekly*, 52(9).
4. Government of India. (2017). *GST - Concept and status - as on 3rd June, 2017*. Central Board of Excise and Customs, Department of Revenue, Ministry of Finance.
5. Hindriks, J., Myles, G. (2013). *Intermediate public economics*, 2nd ed. MIT Press.
6. Rao, M. (2005). Changing contours of federal fiscal arrangements in India. In A. Bagchi (ed.): *Readings in public finance*. Oxford University Press.
7. Rao, M., Kumar, S. (2017). Envisioning tax policy for accelerated development in India. *Working Paper No. 190, National Institute of Public Finance and Policy*.
8. Reddy, Y. (2015). Fourteenth finance commission: Continuity, change and way forward. *Economic and Political Weekly*, 50(21), 27-36.
9. Stiglitz, J. (2009). *Economics of the public sector*, 3rd ed. W. W. Norton.

Teaching Learning Process

Lectures and Tutorials

Keywords

Taxation, public expenditure, federal system, India

HED054: Financial Economics

Discipline Specific Elective (DSE) Credit: 6

Course Objective

This course provides a strong theoretical foundation and an economic framework to understand the world of modern finance. Major topics in the course include: time-value of money; fixed-income securities; bond pricing and the term structure of

interest rates; portfolio theory and pricing models such as the capital asset pricing model; hedging, speculation, and arbitrage; futures and options contracts; determination of forward and futures prices; trading strategies involving options; binomial trees; and the Black-Scholes-Merton option pricing model

Course Learning Outcomes

Students acquire extensive theoretical knowledge in portfolio risk management, capital asset pricing, and the operation of financial derivatives. The course familiarises students with the terms and concepts related to financial markets and helps them comprehend business news/articles better. The course also helps to enhance a student's understanding of real life investment decisions. The course has a strong employability quotient given the relatively high demand for skilled experts in the financial sector.

Unit 1

Investment theory and portfolio analysis: deterministic cash flow streams; basic theory of interest; discounting and present value; internal rate of return; evaluation criteria; fixed-income securities; bond prices and yields; interest rate sensitivity and duration; immunisation; the term structure of interest rates; yield curves; spot rates and forward rates

Unit 2

Single period random cash flows; mean-variance portfolio theory; random asset returns; portfolios of assets; portfolio mean and variance; feasible combinations of mean and variance; mean-variance portfolio analysis: the Markowitz model and the two-fund theorem; risk-free assets and the one-fund theorem. CAPM: the capital market line; the capital asset pricing model; the beta of an asset and of a portfolio; security market line; use of the CAPM model in investment analysis and as a pricing formula; the CAPM as a factor model, arbitrage pricing theory

Unit 3

Futures, options and other derivatives: introduction to derivatives and options; forward and futures contracts; options; other derivatives; the use of futures for hedging, stock index futures; forward and futures prices; interest rate futures and duration-based hedging strategies, option markets; call and put options; factors affecting option prices; put-call parity; option trading strategies: spreads; straddles; strips and straps; strangles; the principle of arbitrage; discrete processes and the binomial tree model; risk neutral valuation; stochastic process (continuous variable, continuous time), the Markov property, Itô's lemma; the idea underlying the Black-Scholes-Merton (BSM) differential equation, BSM pricing formulas; the Greek letters

References

1. Brealey, R., Myers, S., Allen, F., Mohanty, P. (2013). *Principles of corporate finance, 10th ed.* Tata McGraw-Hill.
2. Hull, J., Basu, B. (2017). *Options, futures, and other derivatives, 9th ed.* Pearson Education.
3. Luenberger, D. (2013). *Investment science.* Oxford University Press.

Teaching Learning Process

Lectures and tutorials

Keywords

Finance, economics

HED055: Applied Econometrics

Discipline Specific Elective (DSE) Credit: 6

Course Objective

The course assumes that students have a basic knowledge of statistics, mathematics as well as basic econometric theory. It builds on the compulsory Introductory Econometrics course and teaches students a broad set of commonly used econometric methods. These include estimating models with limited dependent variables and the use of instrumental variables to estimate models with endogenous regressors.

Course Learning Outcomes

Students will learn the theoretical basis for techniques widely used in empirical research and consider their application in a wide range of problems.

Unit 1

Stages in empirical econometric research

Unit 2

The linear regression model: estimation, specification and diagnostic testing: estimation, specification and inference

Unit 3

Advanced topics in regression analysis: dynamic econometric models, instrumental variable estimation, measurement errors

Unit 4

Panel data models and estimation techniques: pooled regression, fixed and random effects models

Unit 5

Limited dependent variables: logit and probit models for binary responses, tobit models for truncated data.

Unit 6

Introduction to econometric software; publicly available data sets and software will be used to estimate models and apply the techniques learned in class

References

1. Gujarati, D. (2014). *Econometrics by example, 2nd ed.* Palgrave Macmillan.

2. Gujarati, D., Porter, D. (2012). *Basic econometrics, 5th ed.* McGraw-Hill.
3. Wooldridge, J. (2014). *Introduction to econometrics: A modern approach, 5th ed.* Cengage Learning.

Teaching Learning Process

Lectures and tutorials

Keywords

Regression, instrumental variables, panel data

HED056: Economic History of India 1857-1947

Discipline Specific Elective (DSE) Credit: 6

Course Objective

This course analyses key aspects of Indian economic development during the second half of British colonial rule. In doing so, it investigates the mechanisms that linked economic development in India to the compulsions of colonial rule.

Course Learning Outcomes

The course develops critical analytical skills and exposes students to understanding the intricacies of India's economic, political and social developments both in the past and present times. It increases their employability by enhancing their ability to deal with a variety of textual and statistical sources, and to draw upon them to construct a coherent argument. These skills would be useful in a variety of careers in academics, research, journalism and the government.

Unit 1

Colonial India: background and introduction

Unit 2

Trends in national income, population; labour and occupational structure

Unit 3

Agriculture, agrarian structure and land relations

Unit 4

Railways and industry

Unit 5

Economy and state in the imperial context

References

Some readings may be updated periodically. Material for the course will be drawn from the following sources

1. Balachandran, G. (2016). Colonial India and the world economy, C. 1850-1940. In L. Chaudhary, B. Gupta, T. Roy, A. Swami (eds.): *A new economic history of colonial India*. Routledge.
2. Bogart, D., Chaudhary, L. (2016). Railways in colonial India: an economic achievement? In L. Chaudhary, B. Gupta, T. Roy, A. Swami (eds.): *A new economic history of colonial India*. Routledge.
3. Chaudhary, L., Gupta, B., Roy, T., Swami, A. (2016). Agriculture in colonial India. In L. Chaudhary, B. Gupta, T. Roy, A. Swami (eds.): *A new economic history of colonial India*. Routledge.
4. Chaudhuri K. (1982). Foreign trade and balance of payments (1757-1947). In D. Kumar, T. Raychaudhari (eds.): *Cambridge economic history of India 1757-c.1970* 2. Orient Longman.
5. Guha, S. (1991). Mortality decline in early 20th century India. *Indian Economic and Social History Review*, 28(4), 371-87.
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7. Klein, I. (1984). When rains fail: Famine relief and mortality in British India. *Indian Economic and Social History Review*, 21, 185-214.
8. Krishnamurty, J. (1982). Occupational structure. In D. Kumar, T. Raychaudhari (eds.): *Cambridge economic history of India 1757-c.1970* 2. Orient Longman.
9. Morris, M. (1965). *Emergence of an industrial labour force in India*. Oxford University Press.
10. Parthasarathi, P. (2009). Historical issues of deindustrialization in nineteenth century south India. In T. Roy, G. Riello (eds.): *How India clothed the world: The world of south Asian textiles, 1500-1850*. Brill Academic.
11. Parthasarathy, P. (2011). *Why Europe grew rich and Asia did not: Global economic divergence, 1600-1850*. Chapters 2, 8. Cambridge University Press.
12. Ray, R. (1994). Introduction. In R. Ray (ed.): *Entrepreneurship and industry in India 1800-1947*. Oxford University Press.
13. Roy, T. (2018). *A business history of India: Enterprise and the emergence of capitalism from 1700*. Chapters 4, 5, 6. Cambridge University Press.
14. Roy, T. (2011). *The Economic History of India 1857-1947, 3rd ed.* Chapters 3, 5, 6, 11. Orient Longman.
15. Washbrook, D. (2012). The Indian economy and the British empire. In D. Peers, N. Gooptu (eds.): *India and the British Empire*. Oxford University Press.

Teaching Learning Process

Lectures and tutorials

Keywords

Colonial India, railways, agriculture, industry

HED057: Political Economy I

Discipline Specific Elective (DSE) Credit: 6

Course Objective

This course explores the systemic structures and institutions of capitalist economies and their evolution in a political economic framework. Students will be exposed to alternative schools of thought and are expected to read some classic texts and commentaries as well as more contemporary essays on the subject.

Course Learning Outcomes

This course prepares the students to develop critical thinking by exposing them to elements of economic thought, juxtaposing ideas and theoretical structures based largely on original texts and journal articles. Students learn to assimilate from a diverse range of opinions and crystallize their own thought processes and standpoints. This also helps them to develop advanced writing, presentation and research skills. It further enables them to comprehend a larger view of the world around us by analysing the existing social and political structures and their links with the economic processes. It is thus a crucial course, which exposes the social science dimension of economics to the students and also provides them skills to think and analyse in an interdisciplinary manner. The exposure to interdisciplinary thinking further enables the students for pursuing studies in diverse related areas such as development studies, economic sociology, critical geography, gender studies and social work as also for taking up employment in organisations ranging from international development agencies to development NGOs and corporate CSR. It also prepares the students to face the practical world of work, where economics, business, civil society organisations, social institutions and politics often cohabit in a complex interlinked structure.

Unit 1

Analysing Social Change in Historical Perspective The method of historical materialism; the transition from feudalism to capitalism; capitalism as a historical process – alternative perspectives

Unit 2

Capitalism as an Evolving Economic System Basic features; accumulation and crisis; monopoly capitalism— alternative perspectives

Unit 3

The State in Capitalism The state and the economy – contestation and mutual interdependence; the state as an arena of conflict; imperialism – the basic foundations

References

1. Baran, P. (1973). *The political economy of growth*. Chapter 3. Pelican.
2. Gurley, J. (1978). The materialist conception of history. In R. Edwards, M. Reich, T. Weisskopf (eds.): *The capitalist system, 2nd ed.* Prentice-Hall.
3. Habib, I. (1995). Capitalism in history. *Social Scientist*, 23, 15-31.
4. Harvey, D. (2014). *Seventeen contradictions and the end of capitalism*. Chapter 3. Oxford University Press.

5. Heilbroner, R. (1985). *The nature and logic of capitalism*. Chapter 4. W. W. Norton.
6. Heilbroner, R. (1987). Capitalism. In *The New Palgrave Dictionary of Modern Economics*. Macmillan. Also reprinted in Heilbroner R. (1978). *Behind the veil of economics*. W. W. Norton.
7. Heinrich, M. (2012). *An introduction to the three volumes of Karl Marx's Capital*. (English translation by A. Locascio). Monthly Review Press.
8. Hunt, E. (2004). *History of economic thought*. Chapter 1. Shilpi Publications.
9. Kalecki, M. (1972). Political aspects of full employment. In E. Hunt, J. Schwarz (eds.): *A critique of economic theory*. Penguin Books.
10. Lange, O. (1963). *Political economy, Vol. 1*. Chapters 1 and 2. Macmillan.
11. Patnaik, P. (2006). Lenin's theory of imperialism today. In K. S. Jomo (ed.): *The long twentieth century: The great divergence: Hegemony, uneven development and global inequality*. Oxford University Press.
12. Schumpeter, J. (1976). *Capitalism, socialism and democracy*. Chapters 6, 7 and 8. George Allen and Unwin.
13. Shaikh, A. (2000). Economic crises. In T. Bottomore, et al. (eds.): *The dictionary of Marxist thought*. Maya Blackwell.
14. Shaikh, A. (2000). Falling rate of profit. In T. Bottomore et al. (eds.): *The dictionary of Marxist thought*. Maya Blackwell.
15. Sweezy, P. (1942). *The theory of capitalist development*. Monthly Review Press.
16. Vakulabharanam, V. (2009). The recent crisis in global capitalism: Towards a Marxian understanding. *Economic and Political Weekly*, 44, 144-150.

Additional Resources

1. Basu, D. (2017). A unified Marxist approach to accumulation and crisis in capitalist economies. *Economics Department Working Paper Series, University of Massachusetts, Amherst*.
2. O'Connor, J. (1970). The meaning of economic imperialism. Pages 101 – 111. In R. Rhodes (ed.): *Imperialism and underdevelopment*. Monthly Review Press.

Teaching Learning Process

Lectures and tutorials

Keywords

Feudalism, capitalism, historical perspectives, economic crisis, state, imperialism, creative destruction

VI Semester (DSE)

HED601: Economics of Health and Education

Discipline Specific Elective (DSE) Credit: 6

Course Objective

This is a course in applied economics, which will introduce the students to the study of health and education as components of human capital in the framework of economic theory.

Course Learning Outcomes

The students will learn the role of health and education in human development. They will be able to apply economic theory to understand the demand for health care, market failure in health insurance, economic evaluation of health care programmes and the role of public policy in the healthcare industry. They will also learn to analyse the returns to education, its role in labor market signalling, and the progress of schooling in India. They will also be exposed to the theories of discrimination.

Unit 1

Role of health and education in human development: health and education outcomes and their relationship with macroeconomic performance

Unit 2

Topics in health economic theory: demand for health, Grossman's model of demand for health, information asymmetry in healthcare demand, and the health insurance market, physician induced demand, adverse selection and moral hazard in health insurance

Unit 3

Economic evaluation of health care: cost effectiveness and cost-benefit analysis; valuing life

Unit 4

Public policy in the health sector; externalities in health and health care; rationale for government intervention in the health sector

Unit 5

Education: investment in human capital; rate of return to education: private and social; quality of education; signalling of human capital; theories of discrimination; gender and caste discrimination in India

Unit 6

Education sector in India: an overview

References

1. Bhattacharya, J., Hyde, T., Tu, P. (2014). *Health economics*, Palgrave Macmillan.
2. Ehrenberg, R., Smith, R. (2012). *Modern labor economics: Theory and public policy, 11th ed.* Addison Wesley.

3. World Development Report (1993). *Investing in Health*. The World Bank.
4. World Health Organisation (2013). *The economics of the social determinants of health and health inequalities: A resource book*. World Health Organisation.

Teaching Learning Process

Lectures and tutorials

Keywords

Education, health, economics, India

HED602: Environmental Economics

Discipline Specific Elective (DSE) Credit: 6

Course Objective

This course focuses on economic causes of environmental problems. In particular, economic principles are applied to environmental questions viewed as externalities and their management through various economic institutions, economic incentives and other instruments and policies. Methods for analysing economic implications of environmental policy are also addressed as well as the valuation of environmental quality, assessment of environmental damages, and tools needed for the evaluation of projects such as cost-benefit analysis, and environmental impact assessments. Selected topics on international environmental issues are also discussed.

Course Learning Outcomes

The module aims to introduce students to the main theoretical and empirical concepts in environmental economics, equip students with a thorough analytical grasp of environmental policy theory, ranging from externalities to international environmental agreements, and familiarise students with the main issues in environmental valuation and with the basic features of the environmental policy tools. At the end of the module the students should be able to demonstrate their understanding of the economic concepts of environmental policy. In some models, the student will be required to deal with simple algebra problems that will help them to better understand these concepts, use diagrammatic analysis to demonstrate and compare the economic welfare effects of various environmental policy options, demonstrate their understanding of the usefulness and problems related to environmental valuation, and demonstrate their critical understanding of environmental policies.

Unit 1

Introduction: What is environmental economics? Review of microeconomics and welfare economics

Unit 2

The theory of externalities: Pareto optimality and market failure in the presence of externalities; property rights and the Coase theorem

Unit 3

The design and implementation of environmental policy: overview; Pigouvian taxes and effluent fees; tradable permits; choice between taxes and quotas under uncertainty; implementation of environmental policy

Unit 4

International environmental problems: trans-boundary environmental problems; economics of climate change; trade and environment

Unit 5

Measuring the benefits of environmental improvements: non-market values and measurement methods; risk assessment and perception

Unit 6

Sustainable development: concepts; measurement

References

1. Aldy, J. et al. (2010). Designing climate mitigation policy. *Journal of Economic Literature*, 48, 903-934.
2. Cropper, M., Oates, W. (1992). Environmental economics: A survey, *Journal of Economic Literature*, 30, 675-740.
3. Heal, G. (2012). Reflections – defining and measuring sustainability. *Review of Environmental Economics and Policy*, 6, 147-163.
4. Kolstad, C. (2010). *Intermediate environmental economics*, 2nd ed. Oxford University Press.
5. Newell, R., Pizer, W., Raimi, D. (2013). Carbon markets 15 years after Kyoto: Lessons learned, new challenges. *Journal of Economic Perspectives*, 27, 123-46.
6. Perman, R., Ma, Y., McGilvray, J., Common, M. (2011). *Natural resource and environmental economics*, 3rd ed. Pearson Education/Addison Wesley.
7. Stavins, R. (ed.) (2012). *Economics of the environment: Selected readings*, 5th ed. W. W. Norton.

Teaching Learning Process

Lectures and tutorials

Keywords

Pollution, externalities, natural resources

HED603: Open Economy Macroeconomics

Discipline Specific Elective (DSE) Credit: 6

Course Objective

This course intends to emphasise on how a country's relations to the rest of the world influence aggregate economic activity, employment, exchange rate and inflation and

forms the scope for monetary and fiscal policy. The course includes a thorough introduction to the foreign exchange market and a discussion of world level interactions. A major part of the course deals with the dynamic effects (effects over time) of economic shocks and policies. The course prepares the student for taking part in professional discussions about the design of monetary and fiscal policy and for any kind of work where it is important to have a good understanding of macroeconomic fluctuations (e.g. for making predictions of macro variables, for choosing investment where the return depend on macro developments) when the economies are open.

Course Learning Outcomes

The student will know how exchange rates, interest rates and capital movements between currencies are determined within different institutional settings for monetary policy (e.g. inflation targeting versus money supply targeting or exchange rate targeting), how a country's current account balance is determined, or, which amounts to the same, how capital movements between countries are determined, how shocks emanating abroad or in the foreign exchange market affect output, employment, inflation and interest rates, how the effects of changes in fiscal and monetary policy and shifts in private sector behaviour are modified through the foreign exchange markets and foreign trade, the role of cost competitiveness in the determination of economic activity, the different responses to economic shocks in the traded-goods and non-traded goods sectors of the economy, how the effects of policy actions and economic shocks are transmitted from country to country in the world economy, and the merits of different exchange rate systems (fixed versus flexible, monetary unions). In particular, you will learn more about the effects over time as flows accumulate to stocks and as the economy moves towards long-run equilibrium. At the end of course the will acquire to analyze the effects of macroeconomic events on the future time path of the economy, analyse how forces inherent in the initial state of the economy will tend to change the economy over time, discuss how current and future events may influence the exchange rate through expectations, and come up with policy suggestions and consider their effects over time.

Unit 1

Open-Economy Macroeconomics and Exchange Rates: National Income accounting and balance of payment; Exchange Rates and the Foreign Exchange Market; Money, Interest Rates, and Exchange Rates; Price Levels and the Exchange Rate in the Long Run; Output and the Exchange Rate in the Short Run; Fixed Exchange Rates and Foreign Exchange Intervention

Unit 2

International Macroeconomic Policy: International Monetary Systems: An Historical Overview; Financial Globalization: Opportunity and Crisis; Optimum Currency Areas and the Euro; Developing Countries: Growth, Crisis, and Reform

References

1. Feenstra, R., Taylor, A. (2014). *International economics, 3rd ed.* Worth Publishers.
2. Krugman, P., Obstfeld, M., Melitz, M. (2018). *International economics: Theory and policy, 11th ed.* Pearson Education.
3. Pugel, T. (2015). *International Economics, 16th ed.* McGraw-Hill Education.

Teaching Learning Process

Lectures and tutorials

Keywords

Open economy, international economics, exchange rate

HED604: Money and Financial Markets

Discipline Specific Elective (DSE) Credit: 6

Course Objective

This course exposes students to the theory and functioning of the monetary and financial sectors of the economy. It highlights the organisation, structure, and role of financial markets and institutions. It also discusses interest rates, monetary management, and instruments of monetary control. Financial and banking sector reforms and monetary policy with special reference to India are also covered.

Course Learning Outcomes

This allows students to understand current monetary policies and financial market outcomes. It also enables them to critically evaluate policies.

Unit 1

Money: concept, functions, measurement; theories of money supply determination.

Unit 2

Financial institutions, markets, instruments, and financial innovations

Role of financial markets and institutions; problems of adverse selection and moral hazard; financial crises

Money and capital markets: organisation, structure, and reforms in India; role of financial derivatives and other innovations

Unit 3

Interest rates

Determination; sources of interest rate differentials; theories of term structure of interest rates; interest rates in India

Unit 4

Banking System

Balance sheet and portfolio management

Indian banking system: changing role and structure; banking sector reforms

Unit 5

Central banking and monetary policy

Functions, balance sheet; goals, targets, indicators, and instruments of monetary control; monetary management in an open economy; current monetary policy of India

References

1. Baye, M., Jansen, D. (2006). *Money, banking and financial markets*. AITBS.
2. Bhole, L., Mahukud, J. (2017). *Financial institutions and markets, 6th ed.* Tata McGraw-Hill.
3. Fabozzi, F., Modigliani, F., Jones, F., Ferri, M. (2010). *Foundations of financial markets and institutions, 4th ed.* Pearson Education.
4. Jadhav, N. (2009). *Monetary policy, financial stability and central banking in India*. Macmillan.
5. Khan, M. (2015). *Indian financial system, 9th ed.* Tata McGraw-Hill.
6. Mishkin, F., Eakins, S. (2017). *Financial markets and institutions, 8th ed.* Pearson.
7. Mohan, R. (2011). *Growth with financial stability: Central banking in an emerging market*. Oxford University Press.
8. Various latest issues of RBI Bulletins, Annual Reports, Reports on Currency and Finance, and Reports of the Working Group, IMF Staff Papers.

Teaching Learning Process

Lectures and tutorials

Keywords

Money, financial institutions, financial innovations, banking, monetary policy

HED605: Comparative Economic Development: 1850-1950

Discipline Specific Elective (DSE) Credit: 6

Course Objective

This course analyses key aspects of Indian economic development during the second half of British colonial rule. In doing so, it investigates the mechanisms that linked economic development in India to the compulsions of colonial rule.

Course Learning Outcomes

By analysing the history of industrialisation and economic transition, students will be able to visualise economic development in a historical perspective and assimilate material from a diverse range of opinions. It will help them to think in an interdisciplinary manner and therefore aid them in jobs where developing and presenting comparative perspectives are key tasks.

Unit 1

Introduction and overview of the countries selected for case studies - Britain, Japan, USSR, and USA

Unit 2

Agriculture, agrarian and land relations and agrarian surplus in industrialisation and economic development

Unit 3

The industrialisation process

Unit 4

The factory system and making of the industrial working class

Unit 5

The role of the state in industrial and developmental transition

References

Some readings may be updated from year to year. Material for the course will be drawn from the following sources.

1. Davies, R. (1998). *Soviet economic development from Lenin to Khrushchev*. Chapters 1, 2, 3, 4, 5, 6, 7, 8. Cambridge University Press.
2. Dobb, M. (1966). *Soviet economic development since 1917*. Chapter 17. Routledge.
3. Hughes, J., Cain, L. (1994). *American economic history, 4th ed*. Chapters 2, 3, 7, 21. Harper Collins College Publishers.
4. Hayami, Y. (1975). *A century of agricultural growth in pre-war Japan: Its relevance to Asian development*. Chapters 1, 3. University of Minnesota Press.
5. Hobsbawm, E. (1968). *Industry and empire: An economic history of Britain since 1750*. Chapters 1, 2, 3, 5, 6, 12. Weidenfeld & Nicholson.
6. Hobsbawm, E. (1984). *Worlds of labour: Further studies in the history of labour*. Chapter 11. Weidenfeld & Nicholson.
7. Johnson, C. (1982). *MITI and the Japanese miracle: The growth of industrial policy 1925-1975*. Chapter 1. Stanford University Press.
8. Macpherson, W. (1995). *The economic development of Japan 1868-1941*. Chapters 1, 2, 3, 4, 6. Cambridge University Press.
9. Norman, E. (2007). *Japan's emergence as a modern state: Political and economic problems of the Meiji period*. Chapters 3, 4. University of British Columbia Press.
10. Okochi, K., Karsh, B., Levine, S. (1974). *Workers and employees in Japan: The Japanese employment relations system*. Chapter 13. Princeton University Press.
11. Paul, G., Robert, C. (1990). *Soviet economic structure and performance, 3rd ed*. Chapters 4, 7. Harper and Row.
12. Tauger, M. (2004). Soviet peasants and collectivization 1930-39: resistance and adaptation. *Journal of Peasant Studies*, 31: 3-4. 427-456.

Teaching Learning Process

Lectures and tutorials

Keywords

Land relations, agrarian surplus, industrialisation, role of the state

HED606: Law and Economics

Discipline Specific Elective (DSE) Credit: 6

Course Objective

While law is a non-market institution, it impacts market and non-market outcomes. By shaping incentive structure for the private individuals and the government entities, legal rules play important role in functioning of an economy. Indeed, legal rules can have astounding effects on allocation and use of resources. Besides, legal rules greatly affect the distribution of different forms of wealth. This course will illustrate how legal rules are amenable to economic analysis, and how different legal rules can lead to different outcomes in terms of allocative efficiency and distribution.

Course Learning Outcomes

This course will familiarise students with the economic approach towards thinking about the law and public policy. Students will come to recognise the law as an important organising force that influences the actions of private citizens as well as government agencies. Students will also learn how the law can support and, at times conflict with, the functioning of the market and the government, the other two important organising forces of an economy. The course will enhance critical thinking and an inter-disciplinary approach towards the law, economics, and policymaking. Thereby, the course will help to develop an inter-disciplinary approach and enhance the employability of students.

Unit 1

Law and economics: efficiency criteria in welfare economics; Coase theorem; prisoners' dilemma. Contracts; role of contracts for the functioning of markets; efficient contracts; damages measures and their efficiency properties; property rights and their role in resource allocation; Coase theorem; legal remedies for breach of property rights and their economic effects; liability for accidents and harms; product liability; efficiency of liability rules; efficiency-compensation trade-off. Litigation - its causes and consequences; benefits of legal certainty

Unit 2

Law and public policy; land and property; market and non-market mechanisms for allocation and transfer of land; land markets; eminent domain – the land acquisition law; land-pooling. Contracts for provisions of public goods: procurement contracts; government provisions vs. public-private partnerships; cost-quality trade-off. Intellectual Property Rights (IPRs): patents, copyright and trademarks. Cost and benefits of private IPRs; individual rights vs. common good

References

1. Cooter, R., Ulen, T. (2013). *Law and economics*. Pearson.
2. Hart, O. (2003). Incomplete contracts and public ownership: Application to public-private partnerships. *The Economic Journal*, 113, 69-76.
3. Miceli, T. (2012). *The theory of eminent domain: Private property, public use, 2nd ed.* Cambridge University Press.

Teaching Learning Process

Lectures and tutorials

Keywords

Law, policy, economics

HED607: Political Economy II

Discipline Specific Elective (DSE) Credit: 6

Course Objective

This course explores some of the fundamental structural changes and dynamics of the advanced capitalist system since the development of Fordism to the contemporary period. Particularly, the course analyses the changes in the organization of production, labour market institutions as well as shifts in corporate, managerial, financial and inter-firm governance structures. It further analyses the role of the state in the era of globalization, by studying both its changed ideological foundation and varied practices. It goes on to examine the social and geopolitical consequences of such fundamental shifts. It also integrates contemporary issues of gender and environment in a political economy framework. Though grounded in political economic traditions, the course also exposes the students to interdisciplinary thought and content. It also offers a layered and contrasting perspective to some of the issues analysed in the core theoretical courses, such as microeconomics and macroeconomics. It also provides a more global and interdisciplinary context for analyzing the issues studied in the compulsory courses on the Indian Economy and Development Economics. Whereas the course is related to the fifth semester DSE course Political Economy I, it is largely a stand-alone independent course and can be pursued without any detailed knowledge of the fifth semester course.

Course Learning Outcomes

This course exposes the students to the realities of the contemporary world economy and teaches them to develop critical analysis in an integrated and broader political economy framework. It thus enables them to form a more informed view of the world we inhabit by analyzing some of the most contemporary trends and developments from different perspectives. It also exposes the students to interdisciplinary skills and written argumentation, and prepares them for a more holistic research framework. The exposure to interdisciplinary thinking further enables the students for pursuing studies in diverse related areas such as development studies, economic sociology, critical geography, gender studies and social work as also for taking up employment in

organisations ranging from international development agencies to development NGOs and corporate CSR. It also prepares the students to face the practical world of work, where economics, business, civil society organisations, social institutions and politics often cohabit in a complex interlinked structure, and employees are expected to comprehend and synthesize materials from diverse sources and perspectives.

Unit 1

Introduction and Historical Overview: Perspective on political economy with a historical overview: Capitalist development in the pre Second World War period, the 'Golden Age' and later

Unit 2

Changing Dynamics of Capitalist Production, Organisational Form and Labour Process: Fordist and Post-Fordist production; The changing dynamics of the organisation of production, markets and labour process; The evolution of the multinational corporations and their economic logic; The contemporary forms value chain networks and forms of inter-firm governance; The changing nature of employment, job security and labour rights

Unit 3

The State in the Era of Globalisation: Ideology, Theory and Practice: Theoretical foundations and ideological underpinnings of the neoliberal state; The neoliberal state in practice: social contradictions, instability, and the nature of resolutions in a globalized world

Unit 4

The Changing Role of Finance: The changing role of finance in the dynamics of capital accumulation and the shifts in corporate structure; Financialisation: its nature and consequences

Unit 5

The Social Dimension: Globalization and Uneven Development – Growth, inequality and crisis in an uneven geographical spread and its social ramifications

Unit 6

Broader Perspectives (Gender and Environment): Dimensions of Gender in work, accumulation and globalization; Political economic issues in environment, sustainability and inequality

References

This course will draw upon the following readings:

1. Arnold, D., Bongiovi, J. (2013). Precarious, informalising, and flexible work: Transforming concepts and understandings. *American Behavioral Scientist*, 57, 289-308.
2. Beaud, M. (2001). *A history of capitalism, 1500-2000*. Chapters 2, 4, 5. Monthly Review Press.
3. Boyce, J. (2002). *The political economy of the environment*. Chapter 4. Edward Elgar.

4. Chang, D. (2009). Informalising labour in Asia's global factory. *Journal of Contemporary Asia*, 39, 161-179.
5. Dore, R. (2008). Financialisation of the global economy. *Industrial and Corporate Change*, 17, 1097-1112.
6. Dumenil, G., Levy, D. (2011). *The crisis of neoliberalism*. Chapter 1. Harvard University Press.
7. Elam, M. (1994). Puzzling out the post-Fordist debate: Technology, markets and institutions. In A. Amin (ed.): *Post-Fordism: A reader*. Blackwell.
8. Foster, J. (2009). *The ecological revolution*. Introduction. Cornerstone Publications.
9. Gereffi, G., Humphrey, J., Sturgeon, T. (2005). The governance of global value chains. *Review of International Political Economy*, 12, 78-104.
10. Gottfried, H. (2013). *Gender, work and economy: Unpacking the global economy*. Chapter 10. Polity Press.
11. Harvey, D. (2005). *A brief history of neoliberalism*. Introduction, Chapters 1-3. Oxford University Press.
12. Hymer, S. (1975). The multinational corporation and the law of uneven development. In H. Radice (ed.): *International firms and modern imperialism*. Penguin Books.
13. Reddy, N. (2003). Economic globalisation, past and present: The challenges to labour. In K. Jomo, K. Jin (eds.): *Globalization and its discontents, revisited*. Tulika Books.
14. Sen, A. (1990). Gender and cooperative conflicts. In I. Tinker (ed.): *Persistent inequalities: Women and world development*. Oxford University Press.
15. Tonkiss, F. (2008). *Contemporary economic sociology: Globalisation, production, inequality*. Chapter 4. Routledge.

Additional Resources

1. Dumenil, G., Levy, D. (2004). *Capital resurgent: Roots of the neoliberal revolution*. Chapter 11. Harvard University Press.
2. Evans, P. (1998). Transnational corporations and the third world states: From old internationalisation to the new. In R. Wright, R. Rowthorn (eds.): *Transnational corporations and the global economy*. UNU/WIDER, Macmillan Press.
3. Vaasudevan, R. (2013). *Things fall apart: From the crash of 2008 to the great slump*. Chapter 3. Sage Publications.

Teaching Learning Process

Lectures and tutorials

Keywords

Fordism, globalisation, MNCs, global value chains, labour flexibility, informalisation, financialisation, corporate governance, neoliberalism, gender, feminisation, environment