



MAHATMA GANDHI UNIVERSITY, KERALA

Abstract

MGU-UGP (Honours), 2024 - Bachelor of Arts (Honours) Economics - Inclusion of additional courses in the Multi Disciplinary Course basket and approval of the syllabi for the same - Academic Council Resolution - Orders issued.

ACA 16

No. 3320/ACA 16/2025/MGU

Priyadarsini Hills, Dated: 07.04.2025

Read:- 1. Recommendations of the Expert Committee on Economics (UG)
2. Item No: 67/83769/ACA 16-2/2024, of the minutes of the Academic Council meeting held on 25.02.2025.

ORDER

The teachers of the Economics departments from various affiliated colleges have submitted representations regarding the challenges faced by them in selecting the Minor and Multi Disciplinary Courses for the BA (Hons) Economics programme.

The matter was brought to the attention of the Expert Committee on Economics (UG) and has recommended vide paper read as (1) above, to add more courses in the Minor and Multi Disciplinary baskets. Also has submitted draft syllabi for the proposed courses, MG1MDCECO101: Foundations in Economics and MG2MDCECO101: Fundamentals of Foreign Trade, to be included in the First and Second semesters Multi Disciplinary Course basket from the academic year 2025-2026. These recommendations were placed before the Academic Council for consideration as per the orders of the Vice Chancellor on 21.11.2024.

The Academic Council meeting, vide paper read as (2) above, has resolved to approve the recommendations of the Expert Committee on Economics (UG), to include additional courses in the Multi Disciplinary Course basket in the First and Second semesters of Bachelor of Arts (Honours) Economics programme from the academic year 2025-2026, viz. MG1MDCECO101: Foundations in Economics and MG2MDCECO101: Fundamentals of Foreign Trade, and also resolved to approve of the syllabi of the same.

(Detailed syllabus for the courses are attached as Annexure.)

Orders are issued accordingly.

MANOJ G

ASSISTANT REGISTRAR III
(ACADEMIC)

Copy To

1. PS TO VC
2. PA to Registrar/CE
3. JR 2 (ADMIN)/DR 2, AR 3 (ACADEMIC)
4. JR/DR/AR (Exam)
5. Convenor, Expert Committee, Economics (UG)
6. Tabulation / Academic Sections Concerned
7. AC C1/ AC C2 Sections
8. IT Cell 3/OQPM1 Sections
9. PRO/IQAC/Records Sections
10. ACTION TAKEN REPORT
11. Stock File/ File Copy

File No: 83769/AC A16-2/2024/ACA 16.

Forwarded / By Order

Section Officer

	<h1 style="margin: 0;">Mahatma Gandhi University</h1> <h2 style="margin: 0;">Kottayam</h2>
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Programme	ECONOMICS				
Course Name	Foundations in Economics				
Type of Course	MDC				
Course Code	MG1MDCECO101				
Course Level	100-199				
Course Summary	<p>"Foundations in Economics" introduces key economic concepts and principles, including market structures, economic systems, monetary and fiscal policies, and public finance components such as taxation, public expenditure, and budgeting. The course covers the functions of money, the structure of India's banking system, and various financial and investment institutions. It also explores monetary policy instruments and financial transactions like T-Bills, commercial papers, and stocks. Additionally, the course examines capital raising processes and the role of stock exchanges and trading mechanisms in the Indian financial system. Overall, it provides a solid foundation for advanced economic studies.</p>				
Semester	1	Credits			3
Course Details	Learning Approach	Lecture	Tutorial	Practical / Practicum	Others
	Authentic, Collaborative, and Case-based learning	2	0	1	Library, seminar and assignment preparations, test, journal discussion. etc.
Pre-requisites, if any					

COURSE OUTCOMES (CO)

CO No.	Expected Course Outcome	Learning	PO No
	<i>Upon completion of this course, the students will be able to:</i>		

		Domains *	
1	recalls key economic concepts in microeconomics and macroeconomics, money and financial markets; the instruments of money and capital markets,	K	2,3,4
2	understand the basic concepts of microeconomics and macroeconomics.	U	2,3,4, 10
3	understand the functions and components of money, banking. and other financial institutions.	U	9,10
4	understand the definitions, functions, and components of financial market and its. Instruments .	U	4,5,6
*Remember (K), Understand (U), Apply (A), Analyse (An), Evaluate (E), Create (C), Skill (S), Interest (I) and Appreciation (Ap)			

COURSE CONTENT

Content for Classroom Transactions (Units)

Module	Units	Course Description	Hrs	CO No.
I	Microeconomic and Macroeconomic Foundations		20	
	1.1	Basic concepts related to economics – micro and macroeconomics-Definitions-Scarcity, choices - basic concepts: Demand-Supply- Market Equilibrium-shocking the equilibrium: effects of shift in demand curve and supply curve	4	1,2
	1.2	Consumer choice and preferences: Utility- cardinal and ordinal utility-indifference curve-marginal rate of substitution-opportunity cost	4	1,2
	1.3	National income – meaning- components of national income-measurement of national income-circular flow of income-monetary policy	4	1,2
	1.4	Public finance-definitions-Public revenue-tax and non-tax revenue-direct and indirect tax-GST-public expenditure-types-public debt-types-budget types	4	1,2
Practicum		Simulate market equilibrium and understand the effects of demand and supply curve shifts through mock market activities, including negotiating prices, introducing economic shocks, and discussing real-world examples.	4	2
II	Money and Banking		20	

	2.1	Money-The Functions of Money-The Components of the Money Supply: Money Definitions M0, M1, M2, M3- Monetary policy-instruments of monetary policy	3	1,3
	2.2	Types of banks- Central Bank- Commercial banks- Development banks, Cooperative banks- Structure and functioning The Central Bank: RBI and the banking system, Functions, Responsibilities and Independence of RBI	4	1,3
	2.3	Commercial Banks: Structure of commercial banks in India, Functions of commercial banks -Savings bank accounts, current account, fixed deposits, recurring deposits. Introducing and debit cards. Modes of transfers- IMPS, NEFT, RTGS, UPI.	3	1,3
	2.4	Development financial institutions (IFCI, IDBI, IIBI, SIDBI) - Specialized financial institutions (EXIM Bank- National Housing Bank- NABARD-MUDRA bank) Specialized investment institutions (Pension funds- Hedge funds- Mutual funds -UTI)-	4	1,3
Practicum		Visit to a commercial bank: learn about its functions and services through a guided session, document their observations on provided worksheets, and submit a summary report.	6	3
III	Indian Financial System		20	
	3.1	Money Market - Definition- Functions Money Market Instruments - T-Bills, Commercial Papers, Commercial Bills, Certificates of Deposits- Call/Short Notice Money- Collateralised Borrowing and Lending Obligation (CBLO)	5	4
	3.2	Capital Market - Definition- Functions - Components - Capital Market Instruments - Reforms in Indian Capital Market - Primary Market and Secondary Market - Instruments, Methods of raising capital	5	4
	3.3	Role of Stock Exchanges - BSE and NSE, Trading Mechanism in Stock Exchanges	3	4
Practicum		Capital Market Case Study aims to understand a company's capital raising process through the primary and secondary markets, exploring the types of capital raised, the instruments and methods used, and the role of stock exchanges, with students evaluating the benefits and challenges of capital raising.	7	4
IV	Teacher Specific Module			

	<i>The instructor has the authority to adapt this module by incorporating recent developments to enhance the learning experience. Student performance will be evaluated internally through a combination of assignments, participation, and discussion.</i>		
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Teaching and Learning Approach	Classroom Procedure (Mode of transaction)				
	Classroom Lectures and Authentic Learning: Traditional lectures can provide solid factual knowledge				
	Active-interactive learning, brainstorming, seminar, group activities: Foster student engagement through interactive class discussions				
	Suggested Course Delivery Methods <ul style="list-style-type: none">○ CD1 - Lecture by use of boards/LCD projectors/ Projectors etc.○ CD2 - Tutorials/Assignments○ CD3 - Class Seminars○ CD4 - Peer group Discussions				
Assessment Types	MODE OF ASSESSMENT				
	A. Continuous Comprehensive Assessment (CCA) – 25 Marks				
	Particulars		Marks		
	Class Tests		15		
	Assignments		5		
	Project/Practicum/Quiz/Book Review/Fieldwork etc.		5		
	Total		25		
	B. Semester End examination (ESE): 50 marks, Time : 1.5 hours				
		Particulars	Word limit	Number of questions to be answered	Marks
		MCQ		15 out of 15	15x1 = 15
	Short Answer	30 words	10 out of 14	10x2 = 20	
	Short Essay	150 words	3 out of 7	3x5 =15	
		Total		50	

References

1. Mankiw, N. Gregory. *Principles of Economics*. 9th ed., Cengage Learning, 2021.
2. Blanchard, Olivier. *Macroeconomics*. 7th ed., Pearson Education, 2017.
3. Musgrave, Richard A., and Peggy B. Musgrave. *Public Finance in Theory and Practice*. 5th ed., McGraw-Hill Education, 2013.
4. Vaish, M.C. *Monetary Economics: Theory, Policy and Institutions*. New Age International Publishers, 2015.
5. Pillai, R. S. N. *Modern Banking in India*. 6th ed., S. Chand Publishing, 2020.
6. Gupta, S. B. *Monetary Economics: Institutions, Theory, and Policy*. 6th ed., S. Chand Publishing, 2017.
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9. Gupta, S.K. *Money Market and Capital Market in India*. S. Chand & Co., 2007.
10. Mishra, M.N., and V.K. Puri. *Indian Financial System*. 7th ed., Himalaya Publishing House, 2017.

SUGGESTED READINGS

1. Samuelson, Paul A., and William D. Nordhaus. *Economics*. 20th ed., McGraw-Hill Education, 2019.
2. Lipsey, Richard G., and Alec Chrystal. *Economics*. 13th ed., Oxford University Press, 2015.
3. Varian, Hal R. *Intermediate Microeconomics: A Modern Approach*. 9th ed., W.W. Norton & Company, 2019.
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5. Singh, Nirvikar, and Surajit Bhattacharyya. *The Economics of Money, Banking and Financial Markets in India*. Oxford University Press, 2017.
6. Bhole, L.M. *Financial Institutions and Markets: Structure, Growth, and Innovations*. 6th ed., Tata McGraw-Hill Education, 2016.
7. Reddy, Y.V. *The Indian Financial System: Markets, Institutions, and Services*. 3rd ed., Wiley India, 2017.
8. Verma, J.C. *A Manual of Financial Market: Money, Bond, and Derivatives Markets in India*. 3rd ed., Bharati Publications, 2018.



Mahatma Gandhi University Kottayam

Programme						
Course Name	Fundamentals of Foreign Trade					
Type of Course	MDC					
Course Code	MG2MDCECO101					
Course Level	100-199					
Course Summary	This course offers a concise yet comprehensive understanding of the essential aspects of foreign trade, focusing on topics relevant to competitive examinations such as civil services, banking, and other government exams. The course delves into key concepts, policies, agreements, and the role of international organizations, providing insights into the dynamic nature of global trade. It also addresses current trends, including digitalization, geopolitics, and sustainability in trade, equipping students with the knowledge and analytical skills necessary to excel in the economics and trade-related sections of these exams.					
Semester	2	Credits			3	Total Hours
Course Details	Learning Approach	Lecture	Tutorial	Practical / Practicum	Others	
	Authentic, Collaborative, and Casebased learning	2	0	1	Library, seminar and assignment preparations, test, journal discussion. etc.	60
Pre-requisites, if any						

COURSE OUTCOMES (CO)

CO No.	Expected Course Outcome	Learning Domains	PO No
	<i>Upon completion of this course, the students will be able to:</i>	*	

1	Understand the fundamental concepts of foreign trade and the importance of foreign trade.	K, U	3
2	Understand trade policies and agreements and their impact on global trade.	K, U	2
3	Understand and analyse the contemporary issues in global trade	U, An	9,10
4	Understand and analyse India foreign trade	K, U	9, 10
*Remember (K), Understand (U), Apply (A), Analyse (An), Evaluate (E), Create (C), Skill (S), Interest (I) and Appreciation (Ap)			

COURSE CONTENT Content for Classroom Transactions (Units)

Module	Units	Course Description	Hrs	CO No.
I	Introduction to Foreign Trade		20	
	1.1	Definition and Scope: What is Foreign Trade- Types of Foreign Trade: Export, Import, and Entrepôt- Difference Between Domestic and International Trade	3	1
	1.2	Key Concepts and Components of in Foreign Trade: Trade Balance: Surplus vs. Deficit-Balance of Payments (BOP) and Exchange Rates-fixed and flexible exchange rates, foreign exchange reserves. Merchandise Trade (Goods)- Services Trade (Tourism, IT, Financial Services)-Capital Flows (Investments (FDI, FPI) and Remittances)	4	1
	1.3	Importance of Foreign Trade: Role in Economic Growth and Development-Access to Global Markets and Technology- Contribution to Employment and Income Generation	3	1
	1.4	Structure of India's Foreign Trade: Major Export Commodities-Engineering goods, petroleum products, textiles, pharmaceuticals, IT services -Major Import Commodities: Crude oil, gold, electronics, machinery, chemicals-Key Trade Partners: Exports: USA, UAE, China, European Union-Imports: China, UAE, Saudi Arabia, USA.	5	4
	Practicum	Explain the table of Balance of Payments of India given in the Economic Survey. Students must draw and submit a table showing the latest statistics.	5	1
II	Trade Policies and Agreements		20	

	2.1	Introduction to Trade Policies: Meaning of Trade Policy -Types of Policies: Free Trade vs. Protectionism-Tools of Trade Policy: Tariffs, Quotas, and Subsidies-Non-Tariff Barriers	3	2
	2.2	Free Trade Agreements (FTAs): Definition and Purpose of FTAs-Key Examples: India-UAE CEPA-Benefits of FTAs: Boosting Trade, InvestmentsChallenges: Impact on Local Industries	4	2
	2.3	Regional Trade Agreements (RTAs): Meaning of RTA- Types of RTAs: Preferential Trade Areas, Customs Unions- Prominent RTAs: ASEAN, EU- Role in Regional Cooperation	3	2
	2.4	Role of WTO in Global Trade: Introduction to WTO: History and Objectives-Key Functions: Negotiating Trade Rules-Dispute Resolution WTO Agreements: GATT (Goods), GATS (Services), TRIPS (Intellectual Property)	4	2
Practicum		Students have to prepare a report on any of the dispute settlement cases filed by India at WTO (Using the reports available in WTO website)	6	2
III	Contemporary Issues in Foreign Trade		20	
	3.1	Digitalization in Global Trade: Role of Technology in Modern Trade-E-Commerce and Cross-Border Trade Platforms ((PayPal, Stripe), Blockchain technology meaning, its uses in trade, AI and Big Data in Predicting Trade Trends	4	3
	3.2	Geopolitics and Global Trade: Definition and key factors of geopolitics- Geographic location, natural resources, trade routes, and political alliances- Impact of geopolitics on foreign trade	3	3
	3.3	Sustainability and Green Trade: Trade and Climate Change: Carbon Border Adjustment Mechanisms (CBAMs) -Sustainable Trade Practices: Circular Economy and Resource Efficiency-Global Efforts: UN Sustainable Development Goals (SDGs)	4	3

	3.4	Trends and Challenges in India's Foreign Trade: Recent Trends: Shift from low-value to high-value exports (e.g., technology and pharmaceuticals) Growth of service exports, particularly IT and financial services Emerging focus on green trade and sustainability- Challenges: Trade deficits and high dependence on crude oil imports-non-tariff barriers in key export markets Geopolitical risks and supply chain disruptions.	5	4
Practicum		Case Study: Russia-Ukraine Conflict: Effects on energy trade and global food security.	4	3,4
		Discussions on Government of India's Initiatives and Future Directions in Foreign Trade		
IV	Teacher Specific Module			
	<i>The instructor has the authority to adapt this module by incorporating recent developments to enhance the learning experience. Student performance will be evaluated internally through a combination of assignments, participation, and discussion.</i>			

Teaching and Learning Approach	Classroom Procedure (Mode of transaction) Classroom Lectures and Authentic Learning: Traditional lectures can provide solid factual knowledge Active-interactive learning, brainstorming, seminar, group activities: Foster student engagement through interactive class discussions Suggested Course Delivery Methods ○ CD1 - Lecture by use of boards/LCD projectors/ Projectors etc. ○ CD2 - Tutorials/Assignments ○ CD3 - Class Seminars ○ CD4 - Peer group Discussions										
Assessment Types	MODE OF ASSESSMENT A. Continuous Comprehensive Assessment (CCA) – 25 Marks <table><tr><th>Particulars</th><th>Marks</th></tr><tr><td>Class Tests MCQ only</td><td>15</td></tr><tr><td>Assignments</td><td>5</td></tr><tr><td>Project/Practicum/Quiz/Book Review/Fieldwork etc.</td><td>5</td></tr><tr><td>Total</td><td>25</td></tr></table>	Particulars	Marks	Class Tests MCQ only	15	Assignments	5	Project/Practicum/Quiz/Book Review/Fieldwork etc.	5	Total	25
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References

1. Balagopal, T. A. S. (2011). Export-Import Management. Himalaya Publishing House.
2. Carbaugh, R. J. (2019). International Economics. Cengage Learning.
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Suggested Readings

1. Baldwin, R. (2016). *The Great Convergence: Information Technology and the New Globalization*. Harvard University Press.
2. Bhagwati, J. (2004). *In Defense of Globalization*. Oxford University Press.
3. Dornbusch, R., Fischer, S., & Startz, R. (2014). *Macroeconomics*. McGraw-Hill Education.
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