

## Syllabus template

<b>Semester: VIII</b>	
<b>Course: Major</b>	
<b>Paper Title: Open Economy Development Economics</b>	
<b>Paper code:</b>	<b>Credits: 6</b>
<b>Hours/week: 4</b>	
<b>Category: Core/MDC/SEC/VAC: Core</b>	
<b>Theory / Practical / Composite: Theory</b>	
<b>No of Modules: 2</b>	
<b>Course Overview:</b>	
<ol style="list-style-type: none"> <li>1) To provide an overview of trade policy debate and economic integration.</li> <li>2. To familiarize the students with diverse aspects of inward looking and outward looking industrialization strategies.</li> <li>3. To acquire information about the methods of commercial policies in trade and their possible impacts on the developing countries.</li> <li>4. To analyse the role of multinationals with special reference to developing countries.</li> <li>5. To evaluate the impact of globalization on the wage inequality on skilled and unskilled labour.</li> <li>6. To interpret the role of international institutions to facilitate growth and promote free trade</li> </ol>	
<b>Course Outcome:</b>	
<b>Module 1</b>	
<ol style="list-style-type: none"> <li>1. Define import substitution and recall the Infant Industry argument and Prebisch-Singer hypothesis. Recall the basic principles and logic of export-oriented industrialization. Identify the role of multinational corporations (MNCs) in developing countries and government policies affecting them.</li> </ol>	
<ol style="list-style-type: none"> <li>2. Explain the rationale and methods of import substitution in developing economies. Explain the methods and instruments used to promote exports in industrializing economies. Explain mechanisms of technology transfer and the potential benefits and challenges of foreign direct investment.</li> </ol>	
<ol style="list-style-type: none"> <li>3. Illustrate import substitution strategies using real-world examples of industries or countries. Demonstrate the use of export promotion strategies in case studies or policy analysis. Illustrate the impact of MNCs and technology transfer on domestic industries using case studies.</li> </ol>	
<ol style="list-style-type: none"> <li>4. Critically examine the limitations of import substitution, including issues like rent-seeking and inefficiencies. Compare import substitution and export-oriented strategies in terms of growth, trade balance, and employment. Evaluate the effects of MNCs on local economies, employment, and technological capabilities.</li> </ol>	
<ol style="list-style-type: none"> <li>5. Assess the effectiveness of import substitution as an economic development strategy. Judge the suitability of EOI policies in different economic contexts. Critically assess government policies aimed at attracting MNCs and facilitating technology transfer.</li> </ol>	
<ol style="list-style-type: none"> <li>6. Propose policy recommendations for balanced import substitution strategies in developing countries. Design a framework for promoting exports while balancing domestic industrial growth. Propose policy measures to maximize benefits and minimize risks from multinational operations and technology transfer.</li> </ol>	
<b>Module 2</b>	

1. Define key concepts such as wage inequality, skilled vs. unskilled labor, and immiserization. Identify major international economic institutions such as IMF, World Bank, and WTO.
2. Explain the impact of foreign capital inflows and globalization on labor markets and wage structures. Explain the objectives, functions, and mechanisms of structural adjustment and stabilization programs.
3. Illustrate wage inequality scenarios using empirical data or case studies. Illustrate how IMF and World Bank policies affect developing countries using case studies.
4. Compare the economic outcomes for skilled and unskilled labor under globalization. Examine the role of WTO agreements in shaping trade policies for developing nations.
5. Assess the socio-economic consequences of wage inequality and immiserization in developing countries. Critically assess the effectiveness and limitations of international institutions in promoting global economic stability.
6. Propose policy measures to reduce wage disparities and improve labor welfare in a globalized economy. Recommend strategies for developing countries to leverage international institutions for sustainable development.

**Prerequisites: *Basic cumulative knowledge about all prior courses***

**SYLLABUS**

UNIT/Module	CONTENT	HOURS or NUMBER OF CLASSES	CO Mapping	COGNITIVE LEVEL
1	Unit 1 Import Substitution: Infant Industry argument and Prebisch Singer hypothesis as justification, methods of import substitution and critical appraisal with special reference to rent seeking.  Unit 2 Export oriented industrialization: Basic Logic, methods of export promotion. Unit 3 Multinationals in developing countries, technology transfer and government policies.	2 classes per week	CO1-CO6	K1-K6
2	Unit 1: Wage Inequality and Globalization Inflow of foreign capital and immiserization, distinction between skilled and unskilled labour and wage inequality	2 classes per week	CO1-CO6	K1-K6

	Unit 2: International Institutions IMF and World Bank: structural adjustment and stabilization programmes; WTO and developing countries.			
--	------------------------------------------------------------------------------------------------------------------------------------------	--	--	--

#### Text Books

1. Todaro & Smith, Economic Development, Pearson Education, 2009.
2. Debraj Ray, Development Economics, Oxford University Press, 2009
3. Soumyen Sikdar: Contemporary Issues in Globalization, OUP.
- 4) Sugata Marjit and Rajat Acharyya: International Trade, Wage Inequality and the Developing Economy, Physica-Verlag, Chapters 2,4,6

#### Suggested readings

1.

2.

#### Web Resources

1. Relevant Internet Sources

2.

**Evaluation** CIA: 30 marks

End-Semester Examination: 70 marks

#### Paper Structure for Theory Semester Exam Module:

Module	No. of Questions to be Answered	No. of Alternatives	Marks
Module 1	3	4	5 x 3 = 15
	2	3	10 x 2 = 20
Module 2	3	4	5 x 3 = 15
	2	3	10 x 2 = 20
Total Marks			70

#### Course outcomes (COs) and Cognitive Level Mapping

COs	CO Description	Cognitive levels
	<b>Module 1</b>	
<b>CO1</b>	Define import substitution and recall the Infant Industry argument and Prebisch-Singer hypothesis. Recall the basic principles and logic of export-oriented industrialization. Identify the role of multinational corporations (MNCs) in developing countries and government policies affecting them.	K1
<b>CO2</b>	Explain the rationale and methods of import substitution in developing economies. Explain the methods and instruments used to promote exports	K2

	in industrializing economies. Explain mechanisms of technology transfer and the potential benefits and challenges of foreign direct investment.	
<b>CO3</b>	Illustrate import substitution strategies using real-world examples of industries or countries. Demonstrate the use of export promotion strategies in case studies or policy analysis. Illustrate the impact of MNCs and technology transfer on domestic industries using case studies.	K3
<b>CO4</b>	Critically examine the limitations of import substitution, including issues like rent-seeking and inefficiencies. Compare import substitution and export-oriented strategies in terms of growth, trade balance, and employment. Evaluate the effects of MNCs on local economies, employment, and technological capabilities.	K4
<b>CO5</b>	Assess the effectiveness of import substitution as an economic development strategy. Judge the suitability of EOI policies in different economic contexts. Critically assess government policies aimed at attracting MNCs and facilitating technology transfer.	K5
<b>CO6</b>	Propose policy recommendations for balanced import substitution strategies in developing countries. Design a framework for promoting exports while balancing domestic industrial growth. Propose policy measures to maximize benefits and minimize risks from multinational operations and technology transfer.	K6
	<b>Module2</b>	
<b>CO1</b>	Define key concepts such as wage inequality, skilled vs. unskilled labor, and immiserization. Identify major international economic institutions such as IMF, World Bank, and WTO.	K1
<b>CO2</b>	Explain the impact of foreign capital inflows and globalization on labor markets and wage structures. Explain the objectives, functions, and mechanisms of structural adjustment and stabilization programs.	K2
<b>CO3</b>	Illustrate wage inequality scenarios using empirical data or case studies. Illustrate how IMF and World Bank policies affect developing countries using case studies.	K3
<b>CO4</b>	Compare the economic outcomes for skilled and unskilled labor under globalization. Examine the role	K4

	of WTO agreements in shaping trade policies for developing nations.	
<b>CO5</b>	Assess the socio-economic consequences of wage inequality and immiserization in developing countries. Critically assess the effectiveness and limitations of international institutions in promoting global economic stability.	K5
<b>CO6</b>	Propose policy measures to reduce wage disparities and improve labor welfare in a globalized economy. Recommend strategies for developing countries to leverage international institutions for sustainable development.	K6