

*Do you find terms like GDP, GNP, Inflation, IMF, Budget Deficit, Foreign Exchange, Current Account Deficit (CAD), monetary policy, fiscal policy, interest rates, Credit policy and many more mysterious? Understand them all to critically understand the changing economic scenario for effective decision making. Economics is not limited to economists and those students of economics. Well, like truth, economics involves us all.*

**IT IS IMPORTANT TO KNOW ABOUT ECONOMICS. IT MAKES US BETTER  
DECISION MAKERS.**

**Course in**

## **ECONOMIC AND ENVIRONMENT LITERACY**



*“It is necessary to undertake now and in right earnest the task of teaching our law-makers economic wisdom in place of economic dogma, and of educating them in the techniques of the creation of wealth.”*

**- Nani Palkhivala.**

*(We, at IEE are inspired by Late N.A. Palkhivala, who strove hard take economic literacy to the people)*

**IEE**

***Institute of Economic Education***

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***Give instruction to a wise man and he will be yet wiser***

*“Give instruction to a wise man and he will be yet wiser” – a German saying*

India's First

## **Economic & Environment Literacy Course**

**- with a special FREE course module on Water Literacy**

**(Get a FREE CD containing Knowledge Bank)**

IEE offers **Economic & Environment Literacy** programs for all. Basic knowledge of economy is essential for right decision making in all fields. People should be able to understand implications of economic changes. You do not have to be a mechanic to learn driving. Thus, to understand and analyse the changing economic environment one need not be a trained economist. Sadly, economics is taught not as a ‘common sense subject’ but as a very complex, academic subject. Economists too talk in some otherworldly language full of jargons. Economic Literacy is very important for right, informed decision making in all fields. Common people find economics very mysterious and confusing. Sadly, economics is taught not as a ‘common sense subject’ but as a very complex, academic subject. Economists too talk in some otherworldly language full of jargons. So common people do not understand GDP, Inflation, stagflation, Current Account Deficit, etc. You do not have to be a mechanic to learn driving. Thus, to understand and analyse the changing economic environment one need not be a trained economist. Institute of Economic Education offers a unique certificate course in ‘Economic & Environment Literacy’. This is for all. Investors will find this course very rewarding. The objective is to enable people to understand important concepts in economics and to get insightful understanding of changing economic environment.

As environment and economics go hand in hand, a special course on Environment Literacy is given with this. Water scarcity is emerging as a major factor all over the world. It is considered as a major cause of conflict in future. a special course module is given on water and related issues.

The objective of this course is capacity building for individual and community level leadership. We expect our learners to become knowledge workers for the society. *(We salute Kautilya Chanakya (Vishnugupta) the author of the celebrated treatise ‘Arthashastra’ and the initiated first effort to educate public mind on economics and statecraft. We are proud of many more experts who believe in the power of informed public opinion.)*

### **CONTENTS**

The study material is self-explanatory and easy to understand.

**FREE!!**

**A special course module on Water Literacy**

**(Get a FREE CD containing knowledge Bank)**

### **Unit – I**

- **Welcome**
- **Introduction**

What is Economics about?, Any definition of Economics?, Economic Problem, What is the economy?, What economists do?, Economics is a science, Importance of Study of Economics, Macro and micro Economics, The vocabulary of Economics (Wants, How do wants arrive?, Comforts, Consumption, Engel’s Law of Family Expenditure, The concept of Utility, Types of Utility, The Law of Diminishing Utility, Marginal Utility, Exception to the Law of Diminishing Utility, Demand, Supply, Value, Price, Progress in economic thoughts, Mercantilists, Physiocrats, Classical School, Marginalist School, Marxist School, Institutional School, Keynesian School

- **Production**

- Scarcity and Choice, Factors of Production, Economic System, Market Economies, Command Economies, Mixed Economies, Production, Types of Production

- **Factors of Production**

- **Land** ( Peculiarities of Land, Factors affecting Productivity of Land, Land is subject of the Law of Diminishing Returns, The Law of Diminishing Returns, Other applications of the Law

- **Labour** (Importance of Labour, Some other peculiarities of Labour, Labour Force, Supply of Labour, The Productivity and Efficiency of Labour, Mobility of Labour, Importance of Mobility of Labour)
- **Capital** (Land and Capital, Wealth and Capital, Is money capital?, Forms of Capital, Classification of Capital, Formation of Capital, Factors in Capital Formation, Importance of Capital Formation, Functions of Capital, Concept of “Roundabout” Method of Production, Understanding Division of Labour)
- **Enterprise** (Difference between Labour and Enterprise, Functions of the Organiser, Entrepreneur and Manager, Qualities essential in an entrepreneur)
- **Additional Reading –I**
  - **Ethics and Economics**
  - **The basic frame work for a closed economy**
- **Environment Literacy - I - Environment as a Factor of Production**
- **Glossary For Economic Literacy Course**

## **Unit – II**

### **Macroeconomics**

- **Introduction**  
Market Systems, National Income, Understanding Fiscal Systems, Income and Employment, Some important theories (Keynesian Economics), Aggregate market, Money, Inflation, Deflation, Stagflation, and Devaluation, Monetary Standards, Currency systems, Saving and Investment, Monetarism, Banking system (Credit creation and Investment), Central Banking, Reserve Bank of India, Financial Institutions, Understanding Business Cycles, Pricing Policy, International Trade, Balance of Payments, Economic Growth
- **Additional Reading – II**
- **Environment Literacy – II UNDERSTANDING CRITICAL TRENDS**

## **Unit – III**

- **Essentials of Microeconomics**
- **Additional Reading – III**
- **Environment Literacy – III UNDERSTANDING SECURITY**

## **Unit – IV**

- **Indian Economy – The Past**
- **The Indian Economic System**
- **Indian Economy – the Present**
- **Indian Economy in Transition – problems and prospects (Economic Reforms)**
- **Additional Reading – IV**
- **Environment Literacy – IV- The Challenge of Building Sustainable Societies**

## **Unit – V**

- **Global Economy** (WTO era, Dawn of Knowledge Societies, the rich-poor disparities and issues of Third world development)
- **Global Economy in Transition**
- **Additional Reading – V**
- **Environment Literacy – V SAVING THE PLANET**

## **Unit – VI**

- **Understanding the Changing Economic Environment**
- **Sociological issues and Economic Development**
- **Understanding Budget**
- **Trend Analysis and Analysing Budget**
- **Economics for Daily Usage**

- Introduction to eminent economists and their work
- Vital Statistics
- Building your own Knowledge Bank (Knowledge Resources, Important Institutes, Think Tanks, Associations, NGOs, Periodicals, Web sites, etc.)
- Additional Reading – VI
- Environment Literacy – VI Environmental Issues in India

## Unit – VII

- Assignment : Prepare your own Budget for the country
- You are the Finance Minister of India – Now solve these problems.
- Additional Reading – VII (Study of leading NGOs like *Vanrai* of Shri. Mohan Dharia and Dr. M.S. Swaminathan Research Foundation)

## Contents of Environment Literacy Course

### • Environment Literacy Package - I - Environment as a Factor of Production

The Population Challenge, Grain Production, Fresh Water, Biodiversity, Energy, Oceanic Fish Catch, Jobs, Infectious Disease, Forests, Housing, Climate Changes, Materials, Urbanisation, Education, Waste, Conflict, Meat Production, Income, Conclusion: The Emergence of Demographic Fatigue, Important points, Environmental Capital and Future of Nation-state

### • Environment Literacy Package – II UNDERSTANDING CRITICAL TRENDS :Global Change and Sustainable Development - Development and Environment: From Stockholm to Rio, Trends in World Population, Energy and Materials Consumption, Agriculture and Food Supply, Water: A Multifunction Resource, Human development, Conclusions - The Impact Policy, Priority Strategies

### • Environment Literacy Package – III UNDERSTANDING SECURITY - Sources Of Stress : Environmental Stress, Conflict Over The Environment, People On The Move, Security In The Twenty First Century, *A Human Security Policy*, Enhancing International Peace Capacity, A Human Security Budget, Vicious Circles: Two Case Studies, A Global Partnership For Human Security?

### • Environment Literacy Package – IV The Challenge of Building Sustainable Societies

### • Environment Literacy Package – V SAVING THE PLANET : The Economist Vs. The Ecologist ,The efficiency Revolution, Building a Solar Economy - Towards Solar Future, Reusing and Recycling Materials, Protecting the Biological Base, Grain for Eight Billion, A Stable World Population, From Growth to Sustainable Progress, Better Indicators of Human Welfare, Banking on the Environment, The Struggle for a New World

### • Environment Literacy Package – VI - Environmental Issues in India

## Contents of the Special Course Module on Water Literacy

- Water - the Matrix of Life: Understanding the basics of water.
- The state of water resources at local, national and international level.
- Issues Related to Water and the challenges
- Solutions on Water Crises
- Community Level solutions (Water Harvesting, etc.)

**Important :** For sample pages visit: [www.economicliteracyindia.org](http://www.economicliteracyindia.org)

## **Duration - 6 months**

**Course fee :** The course could be completed online as well as by correspondence distance education. Printed study material is dispatched in correspondence course.

## **Fee structure :**

**For Online course : Rs. 950.**

**For Correspondence Distance mode : Rs. 1500.**

Fee is to be paid by a Demand Draft/Crossed Cheque for the right amount (Rs. 950 for Online and Rs.1500 for correspondence course) drawn in favour of '**Institute of Economic Education**' payable at Mumbai. **Course books / web links of the study material will be delivered within two weeks of the receipt of the admission form.**

**Note :** At the end certificate of participation is awarded. The test is in form of critical appraisal of annual budget. Group discounts for corporate training.

Those enrolling for online course will receive web links of the study material periodically via e-mail.

## **Eligibility**

There is no minimum eligibility as such to join this course. You should be interested in this subject, and should have good knowledge of English. We at Institute of Economic Education believe that even most complex ideas too can be explained and taught in plain and simple language if we sincerely attempt. There is an urgent need to demystify knowledge so that common people take no threat of it. Knowledge is for all and everyone is equally entitled to it. There should be no barriers to knowledge. It should be available to one and all as tool of empowerment and development.

This philosophy of making knowledge available to all is the guiding principle for us all at Institute of Economic Education.

Economics is too important to be left to economists and teachers of economics. Our humble effort it to take economic literacy to more and more people is inspired with this knowledge for all ideal.

Economic & Environment Literacy Course is especially rewarding for aspirants of higher careers in management, civil services, business, etc. Entrepreneurs will find this knowledge very empowering.

We welcome you to join this course. All are welcome.

## **Who should join?**

This course is for all. It is especially rewarding for all investors, students of economics, journalists and other academics. Those who have not studied economics will find it very rewarding.

Students preparing for careers in civil services (IAS), those preparing for management career entrance exams like CAT, etc will find this course very rewarding. This course will give them solid knowledge base which will sharpen their understanding of important issues. They will be able to make informed, concrete arguments in their answers and group discussions.

Note that this course is for all. The objective is to give students insightful understanding of economics and critical ability to analyse and understand 'changing economic environment' to make informed decisions.



## Our students writing to us. (Some representative views)

"I am B.E. in Electronics and wanted to do my MBA. I understood that I must understand economics to understand management subjects. At last as stated in the brochure of this course, economics involves everything and us all. As I belonged to Science stream I had no knowledge what so ever about economics. I struggled to understand something of it by reading those pink newspapers like the Economic times, etc. But I could not make out the head or tail of it, as I did not know the basic concepts. I tried to read some books but found them very confusing and also boring. I talked my friends who had studied economics and they told me that it is very boring and a dry subject and very difficult to get higher marks. Many complained that they lost their first class because of low score in Economics. However, I was determined to understand economics, as it was a very shocking fact that I did not understand much about the country's economic affairs. I came to believe that engineers and other technical people must be given a solid module on economics and environment (going beyond exam-oriented 'Business Environment, etc.) Then I read about the Institute of Economic Education's postal course in 'Economic & Environmental Literacy Course'. I studied the contents, the objectives and the methodology and joined the course. Now I am happy to say that I do definitely understand the basic concepts and the changing economic scenario and even understand which way the wind is blowing. I recommend this course to my other engineer friends who are planning to go for a management qualification. I believe it is very rewarding to all no matter in whatever field you belong to."

**-Vinod Raghavan B.E.**

"I studied economics till my B.Com., yet I would not understand the budget and all that. I would find the terms confusing and new. Understanding latest development was a sure problem. What we studied was from exam point of view and was highly academic and theoretical. Obviously, as I had studied economics for years I was expected to understand economic developments but things like WTO, Privatisation and their consequences, Capital Account Convertibility, etc. appeared strange to me. My friend who was doing his CA told me about IEE's website and I visited it to know more. I joined the course and all that I can say is that economics is not that boring subject. It is very much practical and common sense based subject. I agreed with what the course brochure said, "*Economics is common sense made more difficult.*" I believe this course is very rewarding to all those who want to study economics; especially from other disciplines. Everything is explained in so simple language that you find it very interesting."

**- Smita Malgude, B.Com. Dip. in Computer Science**

"I am a doctor by profession. I was always interested in economics. But I believed that it must a very theory-ridden subject. I could make that out from some textbooks of my son. He was not much interested in his subject. he was studying those ready-made notes for exam. I was reading economic newspapers and columns but would find their views confusing. I wanted to understand it all, how things work into a whole system. These days lot of changes are occurring and most of the times we are simply unaware of them. This can be costly, especially in a democracy like ours. And as the course brochure says, it is important to educate public opinion urgently to enable them to take effective decisions. I read about this course and joined it. It has not made me into an economist, but now my understanding of economics has grown tremendously. I am deeply interested in this subject and now reading many more books. Let me ensure you that economics is something we all live with in our daily life. It is very practical and interesting subject. This course is a good thing happened to serious students from various disciplines who never study economics."

**- Dr. V. Subramanian (Gynaecologist)**

"I am a retired bank officer. I wanted to know the changing economic scenario, which is changing beyond recognition. I sometimes remember those good old days(?) when there was stability and job security. Now things have changed so much and still changing. Everyone is in the same boat and hence, must understand all that is happening in the economy. I found understanding it all rather difficult because in my banking career my focus was very narrow and was of the old economy. I invest in shares given the falling interest rates. I knew I needed good knowledge of the changing economic scenario. One cannot go my advertisements and optimistic statements. One must be able to take one's own decisions. This requires knowledge. I wondered that those who study economics up to Master levels too find many thing confusing. Their concepts are not clear. Economics must be taught as a practical science. I am happy to note here that IEE's course in economic literacy has given me insightful understanding. Knowledge of environmental issues is very rewarding as it makes the whole picture very clear. I recommend investing in this course. Knowledge of economics will always be rewarding. You do not have to be a trained economist to understand it all nor you have to do a university course in hard-core economics. You need interest and the right study material. That is what this course provides. I found it very interesting. Study it with interest. And you will begin to understand things in greater details."

**- Edwin Gonsalves, M.Com (Retd. Banker)**

"I am a student of journalism. I realised that having mere knowledge of my profession is not enough. I must have good ground in socio-economic and other issues to write on contemporary issues. This requires understanding of the issues. Your course on economics and environment (and water issues) made me aware of many more things, which I would have, otherwise, would not have known. Media professionals must understand forces, which govern social life of the nation. One must have one's own views, which is not possible without sound knowledge-base and analytical ability."

**- Amina Sheikh, B.A. Dip. Journ.**

"I am preparing for Civil Services (IAS) exam. I found your study material highly focussed, especially the environmental study material. It widened my understanding of the issues and my knowledge of current affairs."

**- Vishwas Datta (An IAS aspirant)**

