T.Y. B.Com. Compulsory Paper

Subject Name -: International Economics

Course Code -: 303 (B)

Objectives:

- 1) To study the theories of International Trade.
- 2) To highlight the trends and challenges faced by nations in a challenging global environment.

TERM-I

1 Introduction 1.1 Meaning and Scope of International Economics. 1.2 Importance of International Trade 1.3 Domestic Trade Vs International Trade 1.4 Role of International Trade in Economic Growth 2 Theories of International Trade 2.1 Theory of absolute cost advantage 2.2 Theory of comparative cost advantage 2.3 Theory of factor endowment (Hecksher-ohlin Theory, Leontief Paradox) 2.4 Intra Industrial Trade 3 Terms of Trade 3.1 Concept of Terms of Trade A) Gross Barter Terms of Trade B) Net Barter Terms of Trade C) Income Terms of Trade and Trade Policy D) Single Factorial Terms of Trade E) Double Factorial Terms of Trade 3.2 Factors affecting on Terms of Trade 3.3 Free Trade Policy – Meaning, Arguments for and against 3.4 Protection Policy – Meaning, Arguments for and against 3.4 Regional and International Economic Co-operation 4.1 Regional Co-operation – European Union (E.U) 4.2 South Asian Association for Regional co-operation (SAARC) 4.3 Concept of Trade Blocks and Economic Integration 4.3.1 South American Preferential Trading Arrangement (SAPTA) 4.3.2 North Atlantic free Trade Agreement (NAFTA) 4.4 BRICS – Introduction & Functions	Unit No.		Topic	Lectures
1.2 Importance of International Trade 1.3 Domestic Trade Vs International Trade 1.4 Role of International Trade in Economic Growth 2 Theories of International Trade 2.1 Theory of absolute cost advantage 2.2 Theory of comparative cost advantage 2.3 Theory of factor endowment (Hecksher-ohlin Theory, Leontief Paradox) 2.4 Intra Industrial Trade 3 Terms of Trade 3.1 Concept of Terms of Trade A) Gross Barter Terms of Trade B) Net Barter Terms of Trade C) Income Terms of Trade and Trade Policy D) Single Factorial Terms of Trade E) Double Factorial Terms of Trade 3.2 Factors affecting on Terms of Trade 3.3 Free Trade Policy – Meaning, Arguments for and against 3.4 Protection Policy – Meaning, Arguments for and against 4 Regional and International Economic Co-operation 4.1 Regional Co-operation – European Union (E.U) 4.2 South Asian Association for Regional co-operation (SAARC) 4.3 Concept of Trade Blocks and Economic Integration 4.3.1 South American Preferential Trading Arrangement (SAPTA) 4.3.2 North Atlantic free Trade Agreement (NAFTA)	1	Introdu	12	
1.3 Domestic Trade Vs International Trade 1.4 Role of International Trade in Economic Growth 2 Theories of International Trade 2.1 Theory of absolute cost advantage 2.2 Theory of comparative cost advantage 2.3 Theory of factor endowment (Hecksher-ohlin Theory, Leontief Paradox) 2.4 Intra Industrial Trade 3 Terms of Trade 3.1 Concept of Terms of Trade A) Gross Barter Terms of Trade B) Net Barter Terms of Trade C) Income Terms of Trade B) Net Barter Terms of Trade C) Income Terms of Trade 3.2 Factors affecting on Terms of Trade E) Double Factorial Terms of Trade 3.4 Protection Policy – Meaning, Arguments for and against 3.4 Protection Policy – Meaning, Arguments for and against 4 Regional and International Economic Co-operation 4.1 Regional Co-operation – European Union (E.U) 4.2 South Asian Association for Regional co-operation (SAARC) 4.3 Concept of Trade Blocks and Economic Integration 4.3.1 South American Preferential Trading Arrangement (SAPTA) 4.3.2 North Atlantic free Trade Agreement (NAFTA)		1.1	Meaning and Scope of International Economics.	
1.4 Role of International Trade in Economic Growth 2 Theories of International Trade 2.1 Theory of absolute cost advantage 2.2 Theory of comparative cost advantage 2.3 Theory of factor endowment (Hecksher-ohlin Theory, Leontief Paradox) 2.4 Intra Industrial Trade 3 Terms of Trade 3.1 Concept of Terms of Trade A) Gross Barter Terms of Trade B) Net Barter Terms of Trade C) Income Terms of Trade B) Net Barter Terms of Trade C) Income Terms of Trade B) Double Factorial Terms of Trade C) Income Terms of Trade 3.2 Factors affecting on Terms of Trade 3.3 Free Trade Policy – Meaning, Arguments for and against 3.4 Protection Policy – Meaning, Arguments for and against 4 Regional and International Economic Co-operation 4.1 Regional Co-operation – European Union (E.U) 4.2 South Asian Association for Regional co-operation (SAARC) 4.3 Concept of Trade Blocks and Economic Integration 4.3.1 South American Preferential Trading Arrangement (SAPTA) 4.3.2 North Atlantic free Trade Agreement (NAFTA)		1.2	Importance of International Trade	
Theories of International Trade 2.1 Theory of absolute cost advantage 2.2 Theory of comparative cost advantage 2.3 Theory of factor endowment (Hecksher-ohlin Theory, Leontief Paradox) 2.4 Intra Industrial Trade Terms of Trade 3.1 Concept of Terms of Trade A) Gross Barter Terms of Trade B) Net Barter Terms of Trade C) Income Terms of Trade B) Net Barter Terms of Trade C) Income Terms of Trade B) Double Factorial Terms of Trade 2.2 Factors affecting on Terms of Trade 3.2 Factors affecting on Terms of Trade 3.3 Free Trade Policy – Meaning, Arguments for and against 3.4 Protection Policy – Meaning, Arguments for and against 4.1 Regional And International Economic Co-operation (SAARC) 4.3 Concept of Trade Blocks and Economic Integration 4.3.1 South American Preferential Trading Arrangement (SAPTA) 4.3.2 North Atlantic free Trade Agreement (NAFTA)		1.3	Domestic Trade Vs International Trade	
2.1 Theory of absolute cost advantage 2.2 Theory of comparative cost advantage 2.3 Theory of factor endowment (Hecksher-ohlin Theory, Leontief Paradox) 2.4 Intra Industrial Trade 3 Terms of Trade 3.1 Concept of Terms of Trade A) Gross Barter Terms of Trade B) Net Barter Terms of Trade C) Income Terms of Trade and Trade Policy D) Single Factorial Terms of Trade E) Double Factorial Terms of Trade 3.2 Factors affecting on Terms of Trade 3.3 Free Trade Policy – Meaning, Arguments for and against 3.4 Protection Policy – Meaning, Arguments for and against 4 Regional and International Economic Co-operation 4.1 Regional Co-operation – European Union (E.U) 4.2 South Asian Association for Regional co-operation (SAARC) 4.3 Concept of Trade Blocks and Economic Integration 4.3.1 South American Preferential Trading Arrangement (SAPTA) 4.3.2 North Atlantic free Trade Agreement (NAFTA)		1.4	Role of International Trade in Economic Growth	
2.2 Theory of comparative cost advantage 2.3 Theory of factor endowment (Hecksher-ohlin Theory, Leontief Paradox) 2.4 Intra Industrial Trade 3 Terms of Trade 3.1 Concept of Terms of Trade A) Gross Barter Terms of Trade B) Net Barter Terms of Trade C) Income Terms of Trade and Trade Policy D) Single Factorial Terms of Trade E) Double Factorial Terms of Trade 3.2 Factors affecting on Terms of Trade 3.3 Free Trade Policy – Meaning, Arguments for and against 3.4 Protection Policy – Meaning, Arguments for and against 4 Regional and International Economic Co-operation 4.1 Regional Co-operation – European Union (E.U) 4.2 South Asian Association for Regional co-operation (SAARC) 4.3 Concept of Trade Blocks and Economic Integration 4.3.1 South American Preferential Trading Arrangement (SAPTA) 4.3.2 North Atlantic free Trade Agreement (NAFTA)	2	Theori	12	
2.3 Theory of factor endowment (Hecksher-ohlin Theory, Leontief Paradox) 2.4 Intra Industrial Trade 3.1 Concept of Terms of Trade A) Gross Barter Terms of Trade B) Net Barter Terms of Trade C) Income Terms of Trade and Trade Policy D) Single Factorial Terms of Trade E) Double Factorial Terms of Trade 3.2 Factors affecting on Terms of Trade 3.3 Free Trade Policy – Meaning, Arguments for and against 7.4 Regional and International Economic Co-operation 4.1 Regional Co-operation – European Union (E.U) 4.2 South Asian Association for Regional co-operation (SAARC) 4.3 Concept of Trade Blocks and Economic Integration 4.3.1 South American Preferential Trading Arrangement (SAPTA) 4.3.2 North Atlantic free Trade Agreement (NAFTA)		2.1	Theory of absolute cost advantage	
Leontief Paradox) 2.4 Intra Industrial Trade Terms of Trade 3.1 Concept of Terms of Trade A) Gross Barter Terms of Trade B) Net Barter Terms of Trade C) Income Terms of Trade and Trade Policy D) Single Factorial Terms of Trade E) Double Factorial Terms of Trade 3.2 Factors affecting on Terms of Trade 3.3 Free Trade Policy – Meaning, Arguments for and against 3.4 Protection Policy – Meaning, Arguments for and against 4 Regional and International Economic Co-operation 4.1 Regional Co-operation – European Union (E.U) 4.2 South Asian Association for Regional co-operation (SAARC) 4.3 Concept of Trade Blocks and Economic Integration 4.3.1 South American Preferential Trading Arrangement (SAPTA) 4.3.2 North Atlantic free Trade Agreement (NAFTA)		2.2	Theory of comparative cost advantage	
2.4 Intra Industrial Trade Terms of Trade 3.1 Concept of Terms of Trade A) Gross Barter Terms of Trade B) Net Barter Terms of Trade C) Income Terms of Trade and Trade Policy D) Single Factorial Terms of Trade E) Double Factorial Terms of Trade 3.2 Factors affecting on Terms of Trade 3.3 Free Trade Policy – Meaning, Arguments for and against 3.4 Protection Policy – Meaning, Arguments for and against 4 Regional and International Economic Co-operation 4.1 Regional Co-operation – European Union (E.U) 4.2 South Asian Association for Regional co-operation (SAARC) 4.3 Concept of Trade Blocks and Economic Integration 4.3.1 South American Preferential Trading Arrangement (SAPTA) 4.3.2 North Atlantic free Trade Agreement (NAFTA)		2.3	Theory of factor endowment (Hecksher-ohlin Theory,	
3.1 Concept of Terms of Trade A) Gross Barter Terms of Trade B) Net Barter Terms of Trade C) Income Terms of Trade and Trade Policy D) Single Factorial Terms of Trade E) Double Factorial Terms of Trade 3.2 Factors affecting on Terms of Trade 3.3 Free Trade Policy – Meaning, Arguments for and against 3.4 Protection Policy – Meaning, Arguments for and against 4 Regional and International Economic Co-operation 4.1 Regional Co-operation – European Union (E.U) 4.2 South Asian Association for Regional co-operation (SAARC) 4.3 Concept of Trade Blocks and Economic Integration 4.3.1 South American Preferential Trading Arrangement (SAPTA) 4.3.2 North Atlantic free Trade Agreement (NAFTA)			Leontief Paradox)	
3.1 Concept of Terms of Trade A) Gross Barter Terms of Trade B) Net Barter Terms of Trade C) Income Terms of Trade and Trade Policy D) Single Factorial Terms of Trade E) Double Factorial Terms of Trade 3.2 Factors affecting on Terms of Trade 3.3 Free Trade Policy – Meaning, Arguments for and against 3.4 Protection Policy – Meaning, Arguments for and against 4 Regional and International Economic Co-operation 4.1 Regional Co-operation – European Union (E.U) 4.2 South Asian Association for Regional co-operation (SAARC) 4.3 Concept of Trade Blocks and Economic Integration 4.3.1 South American Preferential Trading Arrangement (SAPTA) 4.3.2 North Atlantic free Trade Agreement (NAFTA)		2.4	Intra Industrial Trade	
A) Gross Barter Terms of Trade B) Net Barter Terms of Trade C) Income Terms of Trade and Trade Policy D) Single Factorial Terms of Trade E) Double Factorial Terms of Trade 3.2 Factors affecting on Terms of Trade 3.3 Free Trade Policy – Meaning, Arguments for and against 3.4 Protection Policy – Meaning, Arguments for and against 4 Regional and International Economic Co-operation 4.1 Regional Co-operation – European Union (E.U) 4.2 South Asian Association for Regional co-operation (SAARC) 4.3 Concept of Trade Blocks and Economic Integration 4.3.1 South American Preferential Trading Arrangement (SAPTA) 4.3.2 North Atlantic free Trade Agreement (NAFTA)	3	Terms	12	
B) Net Barter Terms of Trade C) Income Terms of Trade and Trade Policy D) Single Factorial Terms of Trade E) Double Factorial Terms of Trade 3.2 Factors affecting on Terms of Trade 3.3 Free Trade Policy – Meaning, Arguments for and against 3.4 Protection Policy – Meaning, Arguments for and against 4 Regional and International Economic Co-operation 4.1 Regional Co-operation – European Union (E.U) 4.2 South Asian Association for Regional co-operation (SAARC) 4.3 Concept of Trade Blocks and Economic Integration 4.3.1 South American Preferential Trading Arrangement (SAPTA) 4.3.2 North Atlantic free Trade Agreement (NAFTA)		3.1	Concept of Terms of Trade	
C) Income Terms of Trade and Trade Policy D) Single Factorial Terms of Trade E) Double Factorial Terms of Trade 3.2 Factors affecting on Terms of Trade 3.3 Free Trade Policy – Meaning, Arguments for and against 3.4 Protection Policy – Meaning, Arguments for and against 4 Regional and International Economic Co-operation 4.1 Regional Co-operation – European Union (E.U) 4.2 South Asian Association for Regional co-operation (SAARC) 4.3 Concept of Trade Blocks and Economic Integration 4.3.1 South American Preferential Trading Arrangement (SAPTA) 4.3.2 North Atlantic free Trade Agreement (NAFTA)			A) Gross Barter Terms of Trade	
D) Single Factorial Terms of Trade E) Double Factorial Terms of Trade 3.2 Factors affecting on Terms of Trade 3.3 Free Trade Policy – Meaning, Arguments for and against 3.4 Protection Policy – Meaning, Arguments for and against 4 Regional and International Economic Co-operation 4.1 Regional Co-operation – European Union (E.U) 4.2 South Asian Association for Regional co-operation (SAARC) 4.3 Concept of Trade Blocks and Economic Integration 4.3.1 South American Preferential Trading Arrangement (SAPTA) 4.3.2 North Atlantic free Trade Agreement (NAFTA)			B) Net Barter Terms of Trade	
E) Double Factorial Terms of Trade 3.2 Factors affecting on Terms of Trade 3.3 Free Trade Policy – Meaning, Arguments for and against 3.4 Protection Policy – Meaning, Arguments for and against 4 Regional and International Economic Co-operation 4.1 Regional Co-operation – European Union (E.U) 4.2 South Asian Association for Regional co-operation (SAARC) 4.3 Concept of Trade Blocks and Economic Integration 4.3.1 South American Preferential Trading Arrangement (SAPTA) 4.3.2 North Atlantic free Trade Agreement (NAFTA)			C) Income Terms of Trade and Trade Policy	
3.2 Factors affecting on Terms of Trade 3.3 Free Trade Policy – Meaning, Arguments for and against 3.4 Protection Policy – Meaning, Arguments for and against 4 Regional and International Economic Co-operation 4.1 Regional Co-operation – European Union (E.U) 4.2 South Asian Association for Regional co-operation (SAARC) 4.3 Concept of Trade Blocks and Economic Integration 4.3.1 South American Preferential Trading Arrangement (SAPTA) 4.3.2 North Atlantic free Trade Agreement (NAFTA)			D) Single Factorial Terms of Trade	
3.3 Free Trade Policy – Meaning, Arguments for and against 3.4 Protection Policy – Meaning, Arguments for and against 4 Regional and International Economic Co-operation 4.1 Regional Co-operation – European Union (E.U) 4.2 South Asian Association for Regional co-operation (SAARC) 4.3 Concept of Trade Blocks and Economic Integration 4.3.1 South American Preferential Trading Arrangement (SAPTA) 4.3.2 North Atlantic free Trade Agreement (NAFTA)			E) Double Factorial Terms of Trade	
3.4 Protection Policy – Meaning, Arguments for and against 4 Regional and International Economic Co-operation 4.1 Regional Co-operation – European Union (E.U) 4.2 South Asian Association for Regional co-operation (SAARC) 4.3 Concept of Trade Blocks and Economic Integration 4.3.1 South American Preferential Trading Arrangement (SAPTA) 4.3.2 North Atlantic free Trade Agreement (NAFTA)		3.2	Factors affecting on Terms of Trade	
4 Regional and International Economic Co-operation 4.1 Regional Co-operation – European Union (E.U) 4.2 South Asian Association for Regional co-operation (SAARC) 4.3 Concept of Trade Blocks and Economic Integration 4.3.1 South American Preferential Trading Arrangement (SAPTA) 4.3.2 North Atlantic free Trade Agreement (NAFTA)		3.3	Free Trade Policy – Meaning, Arguments for and against	
 4.1 Regional Co-operation – European Union (E.U) 4.2 South Asian Association for Regional co-operation (SAARC) 4.3 Concept of Trade Blocks and Economic Integration 4.3.1 South American Preferential Trading Arrangement (SAPTA) 4.3.2 North Atlantic free Trade Agreement (NAFTA) 		3.4	Protection Policy – Meaning, Arguments for and against	
 4.2 South Asian Association for Regional co-operation (SAARC) 4.3 Concept of Trade Blocks and Economic Integration 4.3.1 South American Preferential Trading Arrangement (SAPTA) 4.3.2 North Atlantic free Trade Agreement (NAFTA) 	4	Region	12	
(SAARC) 4.3 Concept of Trade Blocks and Economic Integration 4.3.1 South American Preferential Trading Arrangement (SAPTA) 4.3.2 North Atlantic free Trade Agreement (NAFTA)		4.1	Regional Co-operation – European Union (E.U)	
4.3 Concept of Trade Blocks and Economic Integration 4.3.1 South American Preferential Trading Arrangement (SAPTA) 4.3.2 North Atlantic free Trade Agreement (NAFTA)		4.2	South Asian Association for Regional co-operation	
4.3.1 South American Preferential Trading Arrangement (SAPTA) 4.3.2 North Atlantic free Trade Agreement (NAFTA)			(SAARC)	
(SAPTA) 4.3.2 North Atlantic free Trade Agreement (NAFTA)		4.3	Concept of Trade Blocks and Economic Integration	
4.3.2 North Atlantic free Trade Agreement (NAFTA)		4.3.1	South American Preferential Trading Arrangement	
			(SAPTA)	
4.4 BRICS – Introduction & Functions		4.3.2	North Atlantic free Trade Agreement (NAFTA)	
		4.4	BRICS – Introduction & Functions	
TERM – II			TERM – II	
5 Balance of Payment 12	5	Balanc	12	
5.1 Concept of Balance of Trade and Balance of Payments		5.1	Concept of Balance of Trade and Balance of Payments	
5.2 Balance of Payment on current Account and Capital		5.2	Balance of Payment on current Account and Capital	
Account			Account	
5.3 Measures to correct disequilibrium of Balance of Payment		5.3	Measures to correct disequilibrium of Balance of Payment	
5.4 Causes of disequilibrium of Balance of Payment		5.4	Causes of disequilibrium of Balance of Payment	

Unit No.		Topic	Lectures
	5.5	Convertibility of Rupee on Current and Capital Account.	
6	Foreig	12	
	6.1	Meaning of Foreign exchange rate	
	6.2	Fixed v/s flexible exchange rate	
	6.3	Theories of Exchange Rate	
	6.3.1	Purchasing Power Parity Theory	
	6.3.2	Balance of Payments Theory	
7	Foreig	12	
	7.1	Structure of foreign exchange market	
	7.2	Management of Foreign Exchange -inflow and outflow of	
		foreign capital.	
	7.3	Euro Dollar Market – Nature and Scope	
	7.4	Advantages & Disadvantages of Foreign Exchange Market.	
8	Factor	12	
	8.1	Foreign Capital – Meaning of Foreign Direct Investment	
		and Foreign Institutional Investments	
	8.2	Role of Multi National Corporations (MNC's)	
	8.3	Motives and effects of International Labour Migration	
	8.4	India's Foreign Trade Policy since 1991 Features, Trends	
		and Evaluation.	

Recommended Books:

- 1) Dr.D.M.Mithani International Economics (Himalaya Publishing house ltd)
- 2) Z.M.Jhingan: International Economics (Vrinda Publication)
- 3) Dr.Mrs.Nirmal Bhalerao & S.S.M.Desai International Economics (Himalaya Publishing house ltd)
- 4) Deminic Salvatove International Economics
- 5) Francis Cherulliom International Economics (Prentice hall)
- 6) L.M.Bhole Financial Institutions Markets (Tata McGraw Hill)
- 7) H.R.Macharaju International Financial Markets and India (Wheeler Publication)
- 8) RBI Report on Currency Finance

Magazines / Journals, Reports, Websites