

**MA Economics  
International Trade**

Semester I

Subject Code: MEC 11503

Lectures : 48

**Objectives:**

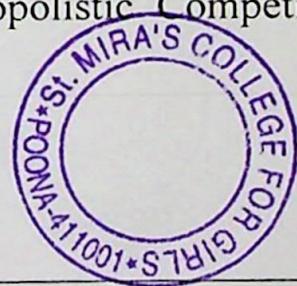
The objectives of this course are to equip the students with an understanding of:

- The theoretical framework of International Trade ;
- The tools of empirical analysis and to develop their analytical abilities;
- The practical significance of International Trade.

**Unit 1: International Trade Theories**

No.of  
Lects.  
10

- The Comparative Cost Theory of International Trade along with the Opportunity Cost Approach
- Factor Endowment Theory (Heckscher- Ohlin Theory)
- Samuelson's Factor Price Equalization Theory
- Rybczynski Theorem
- Trade based on Product differentiation (Intra-industry Trade Model );
- Economies of Scale and Monopolistic Competition (Krugman's Model)



**Members Present :**

- 1) Dr. Girija Lagad- Faculty, Director MITSOG, Pune.
- 2) Mr Nishant Upadhyay- Chief Manager, SBI, Forex , Pune.
- 3) Dr. Subhash Patil – HOD,PG Dept. of Economics, SNDT, Pune.
- 4) Mrs Suchismita Mohanty- Vice Principal, Kaveri College of Commerce, Pune
- 5) Dr. Soniya Chavan- HOD- St. Mira's College for Girls, Pune.
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- 10) Mrs. Amrita Basu- St. Mira's College for Girls, Pune.
- 11) Mr. V. Haldavnekar- Visiting Faculty, St. Mira's College for Girls, Pune.

Signature of  
Nishant Upadhyay  
Suchismita Mohanty  
S G Chavan  
Shalini Iyer  
Arwah Madan  
Manisha Pimpalkhare  
Meenal Sumant  
Amrita Basu  
V Haldavnekar

**Unit 2: Gains from Trade & Terms of Trade**

No.of  
Lects.  
10

- Gains from Trade-Potential and Actual Gains from Trade;
- Static & Dynamic Gains from Trade
- Mill's Doctrine of Reciprocal Demand-Offer Curves & Equilibrium Terms of Trade
- Concepts of Terms of Trade-Net Barter, Gross Barter, Income, Single Factoral and Double Factoral Terms of Trade
- Factors affecting Terms of Trade
- Measurement of Terms of Trade

**Unit 3: International Trade Policy**

No.of  
Lects.  
10

- Free Trade Policy versus Protection Policy
- Methods of Protection- Tariffs and Non-Tariff Barriers on Trade
- Types of Tariffs & Non-Tariff Barriers (Import Quotas, Voluntary Export Restraints, Export Subsidies, Countervailing Duties)
- Effects of Tariffs & Quotas under Partial Equilibrium (Price Effect, Terms of Trade Effect, Competitive Effect, Income Effect, Revenue Effect)
- Tariff versus Quota



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Sign: *Girija Lagad*  
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**Unit 4: International Trading & Monetary System**

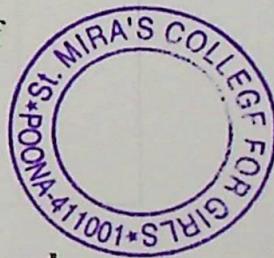
No.of  
Lects  
10

- WTO-Evolution; Structure; Functions; Agreements- TRIPS, TRIMS, Agreement on Agriculture, GATS, WTO & India
- Trading Blocs-EU, NAFTA, SAARC, ASEAN; BRIC; BRICS; BRICM
- Trade Embargoes or Trade Blocks
- IMF & World Bank
- Asian Development Bank

**Unit 5: Aspects of International Trade**

No.of  
Lects.  
08

- Risks in International Trade
- Parties to an International Trade Transaction
- International Trade Terminology - cif ( cost, insurance, freight); cfr (cost and freight); fas (free alongside ship);fob (free on board);cip (carriage & insurance paid to), cpt, (carriage paid to);dat(delivered at terminal); dap(delivered at place); ddp(delivered duty paid), exw(ex works); fca (free carrier)
- Documents in International Trade-Bill of Exchange, Bill of Lading, Letter of Credit
- Certificate of Origin of Goods and their types
- Role of Export Credit Guarantee Corporation (ECGC)

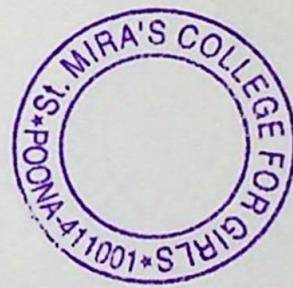


**12 lectures are assigned for library work, assignments, guest lectures and Other contact hours**

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9) Mrs. Meenal Sumant- St. Mira's College for Girls, Pune.	<i>M. Sumant</i>
10) Mrs. Amrita Basu- St. Mira's College for Girls, Pune.	<i>Amrita Basu</i>
11) Mr. V. Haldavnekar- Visiting Faculty, St. Mira's College for Girls, Pune.	<i>V. Haldavnekar</i>

### Recommended Text Books:

- Gupta, K.R.(latest edition): "International Economics", Atma Ram & Sons, Delhi
- Krugman, Paul .R. & Obstfeld , Maurice (2009) : "International Economics Theory and Policy", Pearson Education Publication, New Delhi.
- Paul, Justin (2004) ed., "International Business", Prentice-Hall India Pvt. Ltd
- Pugel T.A (2008): "International Economics", Tata McGraw-Hill Publishing Company Ltd, New Delhi.
- Salvatore, D. (Latest ed.)" International Economics", Prentice Hall, Upper Saddle River, N.J., New York.
- Salvatore, D (2004) "Theory and Problems of International Economics" Schaum's Outline Series, Tata McGraw Hill Publishing Co. Ltd., New Delhi.
- Sawyer, W.C and Sprinkle, R.L (2003) "International Economics", Pearson Education
- Soderston, Bo (latest edition): " International Economics", The Macmillan Press Ltd.,London.
- Srivastava, O.S.(latest edition), "International Economics", Kalyani Publishers.
- Williamson, J & Milner, C (1991): "The World Economy-A Textbook in International Economics", New York University Press, N. York.



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### Reference Books:

- Bhagwati, J (1969), "Trade, Tariff & Growth", Weidenfeld & Nicolson
- Carborough, R.J. (1999) "International Economics", Thompson Publishing, NY
- Chacholiades, M. (latest edition): " International Trade : Theory and Policy", McGraw -Hill, Kogakusha, Japan.
- Ellsworth, P.T (1969) "International Economy", Collier MacMillan International Edition.
- Gerber, J (2012): " International Economics", Pearson Publication. New Delhi.
- Hoekman, B, Mattoo, A & English, P (ed)- "Development, Trade and the WTO-A Handbook"-The World Bank, Washington, D.C., First Indian Reprint 2005, Atlantic Publishers & Distributors, N. Delhi.
- Ingram, James. C (1983) "International Economics", John Wiley & Sons, Inc.
- Kenen, Peter (2008) "The International Economy", Cambridge University Press.
- Kindleberger, C.P.(latest edition): "International Economics", R.D. Irwin, Homewood.
- Lindert, Peter, H. (1987) "International Economics" Richard Irwin Inc.
- Rugman, Alan. M and Hodgetts, Richard, M (2004): "International Business", Pearson Education
- Sengupta, D, Chakraborty, D, Banerjee, P,(ed)(2006): "Beyond the Transition Phase of WTO-An Indian Perspective on Emerging Issues" published by Academic Foundation in association with Centre de Sciences Humaines, New Delhi.
- Srinivasan, T.N. (1998): "Developing Countries and the Multilateral Trading System" OUP, Delhi
- Sodersten, Bo & Reed, G ( latest edition): "International Economics", MacMillan
- Trivedi, Sonu (2005) "Regional Economic Cooperation and Integration", New Century Publications, New Delhi.



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### Journals & Periodicals:

- Economic and Political Weekly- (Relevant Issues)
- "Economic Survey", Government of India, Ministry of Finance, Economic Division, , Oxford University Press,
- "Economic and Social Survey of Asia and the Pacific", Economic and Social Commission for Asia and the Pacific, published by Academic Foundation on behalf of the UN, New Delhi.
- "Foreign Trade Review"- Journal of the Indian Institute of Foreign Trade, New Delhi.
- "Global Economic Prospects and the Developing Countries", The World Bank, USA.
- "Global Economic and Social Survey", a UN Publication.
- "Trade and Development Report", UN Publication.
- "World Economic Situation and Prospects", published on behalf of the United Nations by Academic Foundation, New Delhi.
- "World Trade and Development Report-Research and Information System for the Non Aligned and other Developing Countries", published by Academic Foundation, New Delhi.

### Websites:

- [www.academicfoundation.com](http://www.academicfoundation.com)
- [www.adb.org](http://www.adb.org)
- [www.bric.org](http://www.bric.org)
- [www.ecgc.org](http://www.ecgc.org)
- [www.eurunion.org](http://www.eurunion.org)
- [www.imf.org](http://www.imf.org)
- [www.naftanow.org](http://www.naftanow.org)
- [www.saarc-sec.org](http://www.saarc-sec.org)
- [www.unitednations.org](http://www.unitednations.org)
- [www.wto.org](http://www.wto.org)
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