

Programme: M. A. Economics

Course Code: ECO 128 **Title of the Course:** International Trade and Globalisation

Number of Credits: 4 **Total Contact Hours:**48

Effective from AY: 2018-19

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| <u>Prerequisites for the course:</u> | NIL | |
| <u>Objective:</u> | To introduce the students to the theories and tools used to analyze economic issues resulting from interaction of a country with the rest of the world. | Contact Hours |
| <u>Content:</u> | <p>1.TradeTheories Heckscher Ohlin Model and factor endowments- Factor price equalisation-Stolper Samuelson Theorem-Tests of H-O model-Leontief paradox. Alternative trade models -Specific factors model-Product life cycle-Intra-industry trade-Imperfect competition and trade -Reciprocal dumping model. Flying geese paradigm.</p> <p>2. Economic Growth and International Trade Growth of factors of production -Rybczynski theorem-Technical progress and international trade - Effects of growth on trade- immiserising growth-International trade and growth: Dynamic models- trade and development</p> <p>4. Commercial Policy Tariff-Economic effects of tariff-Partial and general equilibrium analysis-Tariff structure-Effective rate of protection-Optimum tariff- Various Non-Tariff measures-Economic effects of quota-Dumping and anti-dumping regulations</p> <p>5. Factor Movements Welfare effects of international labour and capital movements-Foreign Direct Investment(FDI)-Foreign Institutional Investment(FII)-Financial Globalization-Capital movements to developing countries- International labour migration -Recent trends.</p> <p>6. Regional Trading Agreements and New World Order Regionalism v/s Mulilateralism-Theory of customs union-Trade creating and trade diverting- European Union(EU)-North American Free Trade Agreement(NAFTA).</p> <p>7. WTO and Trade Liberalisation WTO-Structure and constitution-Agriculture, industry, services and labour under WTO-UNCTAD- functions-role-</p> | <p>12</p> <p>06</p> <p>12</p> <p>06</p> <p>06</p> <p>06</p> |

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| | UNCTAD and developing countries-Trends in Global trade in goods and services. | |
| <u>Pedagogy:</u> | Lectures, written assignments, seminar presentations | |
| <u>References/Readings</u> | <u>References</u> <ul style="list-style-type: none"> • Bardhan Pranab (2003), International Trade, Growth and Development, Blackwell Publishing, USA. • Carbaug Robert J.(2007) , <u>International Economics</u>, South Western and Centage Publishing, New Delhi • Gandolfo, G (2006), International Trade: Theory and Policy, Springer (India) private limited • Gerber James (1999), <u>International Economics</u>, Addison -Wesley, California. • Goldin Ian and Kenneth Reinert (2006) Globalisation for Development, Palgrave Macmillan. • Husted Steven and Michel Melvin(2009), <u>International Economics</u>, Addison-Wesley, New York. • Jones, K.A.(2015), <u>Reconstructing The World Trade Organization For The 21st Century :An Institutional Approach</u>, Oxford University Press, New York. • Kenen, Peter B(2000) <u>International Economy</u>, Cambridge University Press, Cambridge. • Kindleberger, C. (1998) <u>International Economics</u>, AITBS, New Delhi. • Krugman, paul and Maurice Obstfeld (2009),<u>International Economics: Theory and Policy</u> Pearson Education, Addison Wesley Longman, New Delhi. • Marrewijk C.V, (2002), <u>International Trade and the World Economy</u>, Oxford University Press, Oxford • Salvatore, Domnic (2007) <u>International Economics</u>, Macmillan, Singapore • Sodersten Bo and Geoffery Reed(1994), <u>International Economics</u>, Macmillan , London. • Srinivasan.T.N. and Suresh D.Tendulkar(2001), <u>India in the World Economy</u>, Institute for International Economics, New York • Thompson, Henry (2010) <u>International Economics</u>, Cambridge University Press India, New Delhi | |
| <u>Learning Outcomes</u> | The students will be able to understand matters related to trade policy and the impact on the global economy. | |