

**SARDAR PATEL UNIVERSITY**  
**PROGRAMME: B.COM. (HONS') (3 Years)**  
**(International Accounting and Corporate Banking & Insurance)**  
**(Under Choice Based Credit System Based on UGC Guidelines)**  
**Syllabus with effect from: December-2020**  
**Semester: VI**

<b>Paper Code: UB06GCOH21</b>	<b>Total</b>
<b>Title of Paper: International Economics</b>	<b>Credits: 3</b>
<b>Objective:</b> The objective of this course is to understand the theory of international economics and its business implications to the real world. By this subject students know the comparative theories of international trade and analyze and evaluate the impact of exports, imports, balance of payments and exchange rates.	

Unit No.	Description in Detail	Weightage
<b>1</b>	<b>International Trade &amp; Free Trade Vs Protection</b> <ul style="list-style-type: none"> <li>• Differentiate between internal trade and International trade</li> <li>• Importance of International trade in economic growth</li> <li>• Comparative cost theory</li> <li>• Modern theory international trade (Bertil Ohlin).</li> <li>• Meaning, arguments in favor and against free trade and Protection</li> </ul>	<b>25%</b>
<b>2</b>	<b>Terms Of Trade &amp; Balance Of Payment:</b> <ul style="list-style-type: none"> <li>• Terms of trade: Meaning and Types, Factors affecting terms of trade</li> <li>• Reasons for unfavorable terms of trade</li> <li>• Concepts and Components</li> <li>• Balance of trade &amp; balance of payment</li> <li>• Disequilibria in balance of payment Causes, and Remedies</li> </ul>	<b>25%</b>
<b>3</b>	<b>Exchange Rate And Exchange Control</b> <ul style="list-style-type: none"> <li>• Exchange rate, Factors affecting exchange rate.</li> <li>• Demand and supply approach,</li> <li>• Purchasing Power Parity theory,</li> <li>• Devaluation: Merits, demerits, limitations,</li> <li>• Convertibility of currency. Meaning, objectives and methods of Exchange Control (with reference to India)</li> </ul>	<b>25%</b>
<b>4</b>	<b>International Economic Organizations</b> <ul style="list-style-type: none"> <li>• General Agreement on Tariffs and Trade (GATT)</li> <li>• World Trade Organization (WTO)</li> <li>• International Monetary Fund (IMF)</li> <li>• World bank (IBRD)</li> <li>• United Nations Conference on Trade and Development (UNCTAD)</li> </ul>	<b>25%</b>

**Evaluation : Internal : 40 Marks (Theory)**  
**: External: 60 Marks (Theory) – Two Hours Examination**

**Reference Books:**

- Money, Banking and International Trade. T. T. Sethi.
- Money, Banking and International Trade. K. P. M. Sundram.
- International Economics. Francis Cherunilam.
- Money, Banking, Trade and Finance. K. P. M. Sundaram.
- Advanced Economic Theory. K. K. Dewett.
- Business Environment. Ahswathappa K
- Money, Banking, International Trade and Public finance. D.M. Mithani