

**KLE's Lingaraj College, Belagavi
(Autonomous)**

Department of Economics

B.Com: IV-Semester

International Economics

(w.e.f. 2017-18 and onwards)

SYLLABUS

Teaching hours per week - 4

Maximum Marks: 100 Marks

Semester End Examination: 70 Marks

Internal Assessment: 30 Marks

Course Outcome: (52 Hours)

At the end of this course students will be able to:

1. It will enable the students to learn the fundamental theories of international economics.
2. It will provide the students to understand the international trade system and their implications for the national economy in modern days.
3. To gain the knowledge of Methods of Exchange Control, Recent changes in the composition and direction of foreign trade.
4. To inculcate understanding of Economic Integration and International Institutions.

Unit	Content	No. of Hours
Unit I	International Trade – Meaning and Importance, Distinction between Internal and International Trade, Theories of Absolute Cost Advantage and Comparative Cost Advantage.	10Hrs
Unit II	Balance of Trade and Balance of Payments – Meaning, Causes for Disequilibrium in Balance of Payments, Methods of Correcting Disequilibrium.	08 Hrs
Unit III	Devaluation – Meaning and Effects, Devaluation of Indian Rupee, Appreciation and Depreciation of Rupee – Meaning and Effects; Dumping and Anti-Dumping – Meaning, Objectives and Effects.	12 Hrs
Unit IV	Foreign Exchange – Meaning of Rate of Exchange; Determination of Equilibrium Rate of Exchange - Fixed and Flexible Exchange Rates; Purchasing Power Parity Theory, Foreign Exchange Market – Structure – Functions – Methods of Payments - Spot and Forward Rate of Exchange, Hedging, Speculation and Arbitrage.	12Hrs
Unit V	WTO – Structure, Objectives and Functions; Foreign Capital – Sources; Foreign Direct Investment (FDI) and Foreign Institutional Investments (FIIs) in India; Make in India; SAARC, BRICS- Objectives and Functions.	10 Hrs
Tests, Seminars, Group Discussion, Case Analysis, Field Visits, Projects etc		

SUGGESTED READINGS:

- 1. M.L.Seth** : International Economics- Laksmi Narayan Educational Publications, Agra
: Money Banking and International Trade - Laksmi Narayan Agarwal Educational Publications, Agra
- 2. M.L.Jingan** : International Economics – Vrinda Publications, New Delhi
:Money Banking and International Trade – VrindaPublications,NewDelhi.
- 3. A.B.N.Kulkarni& A.B.Kalkundrikar** : International Economics R.Chand& Co.
- 4. K.P.M.Sundaram** : Money Banking and International Trade – S.Chand& Co New Delhi
- 5. B.O. Soderston** : International Economics
- 6. C.P. Kindelberger** : International Economics
- 7. P.A. Samuelson andNordous**:International Economics