

Approval: 5th Senate Meeting

Course Name	: International Economics
Course No.	: HS-481
Credits	: 3-0-0-3
Course Offered to	: B. Tech.
New Course/ Old Course	: New Course
Elective or Compulsory	: Elective
Semester	: Even or Odd

Course Preamble: This course is designed to give students a fundamental understanding of the environment in which international business operates and of the business practices required to compete successfully in global markets. It lays stress both on theory and applied nature of the subject that have registered rapid changes during the last decade. Besides this, the contents prepare the students to know the impact of free trade and tariffs on the different sectors of the economy as well as at the macro level. This course has become relatively more relevant from the policy point of view under the present waves of globalization and liberalization both in the North and in the South.

Course Contents:

Module I (10 lectures)

International Business Management and Trade Theories: Meaning and features of international business management; modes and Risk analysis of international business: political, economic, social and cultural; Globalization forces – Meaning, dimensions and stages in globalization; Globalization boon or bane; Introduction to the theories of international trade by Adam Smith, Ricardo, Mill, Haberler and Heckscher - Ohlin.

Module II (10 lectures)

Trade Barriers and Laws: Tariffs and quotas - impact in partial and general equilibrium analysis; Free trade and policy of tariffs in relation to economic growth with special reference to India; Concept of optimum tariff; non-tariff barriers; effective rate of protection; General Agreements on Trade & Tariffs (GATT); World Trade Organization (WTO) - different rounds; IPR, TRIPS, TRIMS, GATS and Ministerial Conferences; SAARC; Rise of new economies like Brazil, Russia, India and China (BRIC).

Module III (6 lectures)

Balance of Payment and International Finance : Balance of trade and balance of payment; International Monetary Fund; Asian Development Bank; World Bank Group; Introduction to export and import finance; Methods of payment in international trade.

Module IV (7 lectures)

International Marketing and Currency Crisis: Objectives and challenges in international marketing; Major players in international marketing; Market selection and entry strategies; Euro phases - benefit and cost; Euro and implication for India; Trade invoicing in Euro Vs Dollar; Partial and full convertibility of rupee; Problems of India's international debt.

Module V

(9 lectures)

Globalization and its Impact on India: Globalization and internal reform process; Trade policies in India during the last six decades; Rationale and impact of trade reforms since 1991 on balance of payments, employment and growth; Current Exim Policy; India's competitive advantage in industries like. I.T., Textiles, Gems & Jewelry etc. - potential and threats; Indian multinationals; SEZ – Introduction – Types of economic zones; Mechanism and opposition of setting of SEZ; Foreign direct investment in India.

Course Readings:

1. John D. Daniels, Prashant Salwan, Daniel P. Sullivan, Lee H. Radebaugh (2010), International Business : Environments And Operations, 12th Edition, Pearson.
2. Dominick Salvatore (2012), International Economics: Trade and Finance, Wiley India.
3. Robert J. Carbaugh (2011), International Economics, South – Western Cengage learning.

Further Readings:

1. Sundaram and Black (2010), International Business Environment, Phi Publication.
2. Wild, John J. and Kenneth L. (2008), International Business: The Challenges of Globalization, Prentice Hall.
3. P.G. Apte (2011), International Financial Management, Tata McGraw-Hill Education