

UNIVERSITY OF MADRAS
B.A. DEGREE PROGRAMME IN ECONOMICS
 SYLLABUS WITH EFFECT FROM 2023-2024

THIRD YEAR - SEMESTER -VI

Subject Code	Subject Name	Category	L	T	P	S	Credits	Inst. Hours	Marks		
									CIA	External	Total
304C6B	INTERNATIONAL ECONOMICS	Core-XIV					4	6	25	75	100
Learning Objectives											
C1	To evaluate critical overview of International Trade theories										
C2	To understand the Foreign Exchange Market and its operations										
C3	To know the BOP disequilibrium and International Trade Policy.										
C4	To impart knowledge on Foreign Exchange Market and its concepts										
C5	To familiarize students on Trade Policies										
UNIT	Contents							No. of Hours			
I	Introduction Nature and Scope of International Economics -The Globalization of the World Economy - International Trade and the Nation's Standard of Living - International Trade Policy - Current International Economic Problems and Challenges.							15			
II	International Trade Theories Absolute Advantage: Adam Smith - Comparative Advantage: David Ricardo - Opportunity Cost: Haberler - Reciprocal Demand: Mill - Offer Curves: Samuelson - Factor Endowments: Heckscher-Ohlin - Leontief Paradox - Economic Growth and International Trade.							14			
III	Foreign Exchange Market Foreign Exchange Market: Function and structures - Exchange Rates: Fixed, Flexible, Floating, Pegged, Nominal and Real Exchange Rates - Theories of Exchange Rates: Mint Parity Theory, Purchasing Power Parity Theory, and Balance of Payments Theory.							16			
IV	Balance of Payments The Balance of Payments Account - Equilibrium and Disequilibrium in BOP - Surplus and Deficit in BOP-Adjustment Mechanism: Direct and Indirect Mechanisms-Export Promotion and Import Substitution.							15			
V	Terms of Trade and Trade Policy Terms of Trade: Concept and Determinants - Terms of trade and Economic Development - Tariff and Non-Tariff Barriers – Effects – Quotas - Import Quotas Vs Tariffs - Free Trade and Economic Development-Free Trade Vs Protection.							15			
Total									75		

UNIVERSITY OF MADRAS
B.A. DEGREE PROGRAMME IN ECONOMICS
 SYLLABUS WITH EFFECT FROM 2023-2024

Course Outcomes		Programme Outcomes
CO	On completion of this course, students will	
1	Develop ideas of the basic characteristics of Globalisation of the World Economy and its current international economic problems and challenges.	PO1
2	Grasp the basic theories of International Trade and Economic Growth.	PO1
3	Understand the functions, structure and theories of Foreign Exchange Market.	PO1,PO2,PO3
4	Describe the BOP disequilibrium, Adjustment Mechanism, Export Promotion and Import Substitution.	PO2,PO3
5	Outline the concepts of terms of trade and assess the Tariff, quotas, Free trade and economic development	PO1,PO2
Textbooks		
1	Mithani D.M (2002), Introduction to International Economics, Vora& Co Publishers, Bombay.	
2	Dwivedi, D. N. (2013). International Economics: Theory and Policy. Vikas Publishing House, New Delhi.	
3	Cherunilam, Francis (2006). International Economics, Tata McGraw-Hill Publishing Co. Ltd., New Delhi	
4	M.L Jhingan, “ International Economics”, Vrinda publications, 2016	
5	K.R.Gupta, International Economics, Atlantic Publishers, 2017	
Reference Books		
1.	Paul Krugman, Maurice Obstfeld, and Marc Melitz, (2012), International Economics: Theory and Policy, Addison-Wesley (Pearson Education Indian Edition), 9th edition.	
2.	Kindleberger, C.P (1977). International Economics, D.B. Taraporevala Sons and Co. Pvt. Ltd., Bombay	
3.	Leamer, E. E., & Stern, R. M. (2017). Quantitative International Economics. Routledge.	
4.	Salvatore, D. (2016). International Economics. John Wiley & Sons.	
5.	Jones, R. W., Grossman, G. M., Kenen, P. B., Rogoff, K., Gopinath, G., & Helpman, E. (Eds.). (1997). Handbook of International Economics (Vol. 3). Elsevier.	
Web Resources		
1.	https://www.imf.org	
2.	https://www.forextime.com/education/forex-trading-for-beginners	
3.	https://www.weforum.org/	
4.	https://www.wto.org/	
5.	https://policy.trade.ec.europa.eu/eu-trade-relationships-country-and-region/negotiations-and-agreements_en	

UNIVERSITY OF MADRAS
B.A. DEGREE PROGRAMME IN ECONOMICS
 SYLLABUS WITH EFFECT FROM 2023-2024

Mapping with Programme Outcomes:

	PO 1	PO 2	PO 3	PO 4	PO 5	PO 6	PO 7	PO 8
CO 1	2	3	3	3	3	3	3	3
CO 2	3	3	3	3	3	3	3	3
CO 3	3	3	3	2	2	3	3	3
CO 4	3	3	2	3	3	2	3	3
CO 5	3	3	3	3	3	3	2	3
Weightage	14	15	14	14	15	15	14	15
Weighted percentage of course contribution to POS	2.8	3.0	2.8	2.8	2.8	2.8	2.8	3.00

S-Strong-3 M-Medium-2 L-Low-1

Level of Correlation between PSO's and CO's

CO /PO	PSO1	PSO2	PSO3	PSO4	PSO5
CO1	3	3	3	3	3
CO2	3	3	2	3	2
CO3	3	3	2	3	2
CO4	3	3	3	2	2
CO5	3	3	2	3	3
Weightage	15	15	12	14	12
Weighted percentage of Course Contribution to PSOs	3	3	2.4	2.8	2.4

S-Strong-3 M-Medium-2 L-Low-1