Faculty of Management Studies

Master of Business Administration (Sem - III)

In Effect from Academic Year 2023-24

Branch Name:	Management (International Business)
Program Code:	MS201
Course Title:	International Trade and Policy Framework
Course Code:	2MS2010382T
Pre-requisite Course:	Basics of Business Management

Course Objectives:

1. Assess the relative importance of geographic and political barriers to trade and the economic consequences of their change.
2. Provide explanations for the empirical success of the gravity model of international trade, based on theoretical foundations.
3. Interpret and adequately treat the individual components of the gravity model of international trade for theoretical analysis, estimation, and simulation.

Teaching and Examination Scheme:

Teaching Scheme (Hours per week)				Evaluation Scheme (Marks)				
				Theory (Marks)		Practical (Marks)		
Lecture (L)	Tutorial (T)	Practical (P)	Credit	University Assessment	Continuous Assessment	University Assessment	Continuous Assessment	Total (Marks)
4	0	0	4	60	40	0	0	100

Subject Contents:

Sr. No	Topic	Total Hours	Weightage (%)
1	**Theories of International Trade** An Introduction, Globalization of the World Economy, Deglobalization, The Mercantilist Views on Trade, The Theory of Absolute Cost Advantage & The Theory of Comparative Cost Advantage, Two-by-Two-by-Two Sector Model A critical review is carried out regarding the assumptions, principles, limitations and comparison of the early trade theories.	10	20%
2	**Modern Theories of International Trade** Product Cycle Theory, Linder's Theory of Volume of Trade and Demand Pattern, Krugman’s Alternative Theory of Trade, Gravity Model, Immiserizing growth theory Jagdish Bhagwati Assumptions, theoretical aspects, limitations and application of the modern theories in the contemporary trade scenario are discussed.	10	20%
3	**Terms of Trade and Determination of Exchange Rate** Concepts and Measurement of Terms of Trade, Factors affecting Terms of Trade of a Country, Exchange Rate Determination, A critical review is undertaken of the Terms of Trade of Developed and Developing nations and the applicability of the BOP and PPP Theories.	10	20%
4	**Balance of Payments and Trade Distortions** Equilibrium and Disequilibrium in BOP, Measures to correct disequilibrium, Current and Capital Account convertibility, Protectionism in the changing world scenario, Role of WTO in reducing trade distortions, Effect of Covid-19 Pandemic on Trade.	10	20%
5	**Case study like** US-China trade relations, Brexit and trade relations, Regional trade agreements, Trade protectionism and tariff escalation, digital trade and E-Commerce regulation, etc.	8	20%

Text Books:

1. Handbook on International Trade Policy: William Alexander Kerr, James D. Gaisford Edward: Elgar Publishing
2. Alan C Shapiro, Multi National Financial Management
3. Krishnamoorthy S, Guide to Foreign Exchange Regulations

Reference Books:

1. Chaterjee A K, Principles of Foreign Exchanger
2. Rajwadi, Foreign Exchange Management
3. Keith Red Head, Financial Derivatives
4. V V. Keshkamat , Foreign Exchange Arithmetic, Vivek Publications, Mumbai
5. C Jeevandam, Foreign Exchange Arithmetic and Risk Management, – Sulthan Chand & Sons
6. B K Chaudhuri, Finance of Foreign Trade and Foreign Exchange
7. S. Kevin, Commodity and Financial Derivatives, 2nd ed., PHI Learning Private Ltd, Delhi

List of Open-Source Software/learning website:

1. https://nptel.ac.in/
2. https://swayam.gov.in/

Course Learning Outcomes (CLO): On completion of this course, the students will be able to:

CLO	**Description**	**Bloom's Taxonomy Level**
CLO1	Understanding Classical Trade Theories	Understand
CLO2	Application of Modern Trade Theories	Apply
CLO3	Analyze Exchange Rate Determination and Terms of Trade	Analyze
CLO4	Evaluate Balance of Payments and Global Trade Policies	Evaluate
CLO5	Critical Analysis of Global Trade Policies and Agreements	Analyze
CLO6	Developing Strategic Trade Decision-Making Skills	Create

Mapping of CLO with PO and PSO

Course Learning Outcomes	**Program Outcomes (POs)**								**Program Specific Outcomes (PSOs)**	
	PO1	PO2	PO3	PO4	PO5	PO6	PO7	PO8	PSO1	PSO2
CLO1	H	H					H		H	
CLO2	H	H	H						H	H
CLO3	H	H					H			H
CLO4	H		M		M		M			H
CLO5	M	M				H	M		H	H
CLO6			H	H		H		H	M	M

H: High, M:Medium, L:Low

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