

MAJOR BASED ELECTIVE – I – INTERNATIONAL TRADE

UNIT I:

Concept of international trade – Reasons for international trade – Salient features of international trade – interdependence of international and domestic trades – advantages of international trade.

UNIT II:

Classical Theory of international trade – Theory of comparative costs – its assumptions and criticisms.

UNIT III:

Heckscher – Ohlin Theory of trade – and its criticisms.

UNIT IV:

Free trade – Arguments for free trade – Protection – meaning – Arguments: Fallacious, non-economic and economic.

General Arguments of Tariffs and Trade – origin – membership – purpose – Tariff reductions and growth in world trade – Defects of GATT – Future of WTO.

UNIT V:

United nations conference on Trade and Development – evolution – functions – Unclad I and directive principles – Achievements of Unclad.

TEXT BOOKS RECOMMENDED:

1. Money, Banking and International Trade by Vaish
2. International Economics by Vagheesan – Learn tech Press Trichy.
3. International economics by Kindleberger
4. International Economy by Ellsworth
5. Developing countries and Unclad.