



**SIES (Nerul) College of Arts, Science and Commerce  
(Autonomous)  
Open Elective**

**Introduction to International Economics**

**COURSE CODE: U24BE4E01**

**COURSE CREDIT: 02**

**1 credit - 15 lectures**

**1 lecture is 60 minutes**

**Course Objectives:**

- To familiarize students with an overview of International Economics.
- To orient students with the concepts related to Balance of Payment and Foreign Exchange Markets.

**Course Outcomes:**

- Learners will be able to discuss the basic theories and policies of International Economics.
- Learners will be able to examine the concepts of Balance of Payments and Foreign Exchange Market.

Sr. No	Syllabus	No. of lectures
01	<b>MODULE I: Introduction to International Trade</b> <ul style="list-style-type: none"> <li>• Theories of International Trade – Ricardo’s Theory of Comparative Costs and the Heckscher- Ohlin Theory.</li> <li>• Commercial Trade Policy –Free Trade and Protection – Pros and Cons.</li> <li>• Tariff And Non-Tariff Barriers: Meaning, Types</li> </ul> Relevant case studies	15
02	<b>MODULE II: Balance of Payments and Foreign Exchange Market</b> <ul style="list-style-type: none"> <li>• Balance of Payment: Meaning, Structure, Balance of Payment Disequilibrium- Types, Measures to control Disequilibrium: Depreciation, Devaluation.</li> <li>• Foreign Exchange Market: Meaning, Functions, Determination of Equilibrium Rate of Exchange, Spot and Forward Exchange Rates, Arbitrage.</li> <li>• Role of Central Bank in foreign exchange rate management, Managed flexible exchange rate system of India.</li> </ul> Relevant case studies	15

**References:**

- Kindleberger, C.P. (1973) International Economics, Homewood
- Kenan, P.B. (1994), The International Economy, Cambridge University Press, London
- Krugman, P.R. and M. Obstgold (1994), International Economics: Theory and Policy,



- Glenview, Foreman
- Dwivedi D N (2013) International Economics: Theory and Policy, Vikas publishing House New Delhi
- M.L. Jhingan – International Economics – Vrinda publication Pvt. Ltd – Delhi
- Francis Cheunilam International Economics Tata McGraw – Hill Publishing co.Ltd.New Delhi.
- Dominick Salvatore – International Economics – John Wiley & sons, Inc Singapore.

### SCHEME OF EXAMINATION

The scheme of examination shall be divided into two parts:

- Internal assessment 40% i.e. 20 marks
- Semester end examination 60% i.e. 30 marks

#### (A) Internal Assessment 20 marks

Description	Marks
Internal tests of 10 marks each	10
Q.1. Multiple choice Questions/True or False - 10 Marks OR Q.1. Multiple choice Questions/True or False - 5 Marks Q.2. Attempt 1 question out of 3 questions (5 marks each)- 5 Marks	
One Project and Viva voce/Presentation/Case studies/Assignments	5
Attendance and Class behavior	5
Total	20

#### (B) Semester end examination 30 marks

#### PAPER PATTERN

Duration : 1 hour	
Total Marks: 30	
Q.1 10 marks OR 10 marks	10
Q.2 10 marks OR 10 marks	10
Q.3 10 marks	10
Two short notes out of four for 5 marks each or case study	
Total	30
Note: Q.1, 2 - 10 marks question may be divided into sub questions if required. Q.3 May include theory (short notes) /Case study in one of the options.	

**Passing criteria: Minimum 40% in Internal (8 out of 20) and 40% (12 out of 30) in semester end examination.**

