

Savitribai Phule Pune University, Pune
Third Year, B.Com. (Core Course)
Revised Syllabi for Three Years B. Com. Degree Course
(CBCS-2019 Pattern) (w.e.f. 2021-22)

Semester - V Subject: International Economics-I

Course Code: 353 Total Credits: 3

Preamble:

An approach to International Economics is to examine the International Trade on the basis of trade theories. International Economics is subject that is ever dynamic and relevant in the current context. International Economics provides a framework on international trade and finance in the theoretical context, along with economic analysis as well as practical applications. This paper aims to provide knowledge about International Economics that includes trade theories, trade practices and their implications. It also aims to make students familiar about the various concepts of international economics, international trade and other concepts related to international economics

Scope of the Programme:

Knowledge of trade theories, trade policies and other subject matters related to international economics.

Objectives:

1. To acquaint the students with the basic theories of international trade and international economics.
2. To help the students evaluate the working and functions of international organizations and institutions.
3. To develop a foundation in the subject that will help the students in their future academic and professional ventures.

Course Outcomes:-

1. Students will be able to understand present Economic Scenario of Indian Economy as well as World Economy.
2. Students will understand the working of foreign trade market and foreign exchange market.
3. Students will be able to comprehend trade policies and concepts related to trade policies.
4. Students will be able to use the subject knowledge in their future academic and professional ventures

Unit No. Topic Purpose & Skills to be Developed

Unit 1

International Economics

Purpose: To make the students aware of concepts in international economics

Skills: Analyze & think critically, developing writing skills.

1.1 Meaning and Scope of International Economics

1.2 Importance of International Economics

1.3 Inter-regional Trade and International Trade

1.4 Role of International Trade in Economic Development

1.5 Trade Problems Facing LDC's

Unit 2

Theories of International Trade Purpose: To give the knowledge to students about trade theories in international economics

Skills: understand theories of international trade,

2.1 Theory of Absolute Cost Advantage

2.2 Theory of Comparative Cost Advantage

2.3 Theory of Factor Endowment (Heckscher-Ohlin)

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Semester - VI Subject: International Economics II Course Code: 363

Total Credits: 3

Preamble: International Economics is subject that is relevant in the current context. This provides an understanding of balance of payments, foreign exchange market and International factors mobility. The subject discusses Balance of Payments, Foreign Exchange, Currency Management as well as International capital flows. The subject discusses Free Trade, Barriers to Trade, Trade Agreements and Trade Organizations. Various issues are discussed and analyzed arising out of international trade and finance.

Objectives:

1. To acquaint the students with the concept of balance of payments, foreign exchange and international factors' mobility.
2. To help the students evaluate the working and functions of international organizations and institutions.
3. To develop a foundation in the subject that will help the students in their future academic and professional ventures.

Course outcomes:

1. Students will be able to comprehend the basic concepts of balance of payment and foreign exchange.
2. Students will be able to evaluate the working and functions of international organizations and institutions.
3. Students will be able to apply the knowledge while preparing for the competitive examinations and other future prospects.

Unit

No.

Topic Purpose & Skills to be Developed

1

Balance of Payment Purpose: To make the students aware of concepts balance of payments

Skills: Analyze & think critically, developing writing skills.

1.1 Concept of Balance of Trade and Balance of Payments

1.2 Balance of Payment on Current Account and Capital Account

1.3 Causes of Disequilibrium in Balance of Payment

1.4 Measures to Correct Disequilibrium in Balance of Payment

1.5 Convertibility of Rupee on Current and Capital Account

2

Foreign Exchange

Purpose: To understand the concepts of foreign exchange market, foreign exchange rate, euro market etc.

Skills: Analyze & think critically, developing writing skills.

2.1 Foreign Exchange Market

2.1.1 Meaning

2.1.2 Functions

2.1.3 Structure

2.1.4 Euro Dollar Market

2.2. Foreign Exchange Rate

2.2.1 Meaning of Foreign Exchange Rate

2.2.2 Fixed and Flexible Exchange Rate- Merits and Demerits

2.2.3 Determination of Foreign Exchange Rate: Purchasing Power Parity Theory

International Factor Mobility

Purpose: To understand the concept of international factor mobility and its effects on economy

Skills: Analyze & think critically, developing writing skills.

3.1 Labor Migration- Meaning, Causes and Effects

3.2 Brain Drain- Concept, Causes and Effects

3.3 Types of Foreign Capital

3.3.1 Foreign Direct Investment

3.3.2 Foreign Institutional Investments

3.4 Problems of Foreign Capital

3.5 Role of Multinational Corporations (MNC's)

4

International Economic Institutions and Regional Cooperation

Purpose: To make the students aware about different organizations working for international finance and trade development

Skills: Analyze & think critically, developing writing skills.

4.1 World Trade Organization (WTO): Objectives and Functions

4.2 International Monetary Fund (IMF): Organization and Functions

4.3 World Bank: Objectives and Functions

4.4 South Asian Association for Regional Cooperation (SAARC): Objectives and Functions

4.5 BRICS- Introduction and Functions