

AC – 25/03/2026
Item No. – 5.41 (N)

As Per NEP 2020

University of Mumbai



(Scheme-III)

Syllabus for Major Vertical – 1 & 4		
Name of the Programme – B.A. (Economics)		
Faculty of Humanities		
Board of Studies in Economics		
U.G. Third Year Programme	Exit Degree	U.G. Degree in Economics
Semester	V & VI	
From the Academic Year	2026-2027	

Name of the Course
INTERNATIONAL ECONOMICS
TYBA

SEMESTER-VI

(Credit 4)

Sr. No.	Heading	Particulars
1	Description of the Course:	The syllabus of International Economics covers four units. The syllabus equips the students to understand and evaluate various concepts which include Traditional and modern International Trade Theories, Terms of trade and Gain from trade, Balance of Payment and exchange rates, Indian International Trade and various international Trading Blocks.
2	Vertical:	Mandatory Major Course
3	Type:	Theory
4	Credit:	4 Credits
5	Hours Allotted:	60 Hours
6	Marks Allotted:	100 Marks
7	Course Objectives:	The objective of the course is to develop the understanding and analytical skills of the students about international trade.
8	Course Outcomes	The syllabus of the International Economics course will enable students: 1. To understand International Trade Theories. 2. To learn the concept of Terms of Trade and Gains from Trade, and how to measure them. 3. To discuss the concept of Balance of Payment and exchange rates and their applicability in the real world. 4. To learn about Indian International Trade and various international trading blocs.
9	Unit-1 International Trade Theory:	(15 Hours)
	International Trade: concept, Importance, Inter-regional (domestic) and international trade- Concepts, differences. Free trade v/s Protection The Classical Theories of International Trade - Adam Smith, David Ricardo, Mill's Reciprocal Demand Analysis. Modern theory of international trade: Heckscher-Ohlin theory of International Trade.	

Unit-2 Terms of Trade and Gains from Trade: (15 Hours)

Terms of Trade: meaning, types and determinants. Gains from Trade- Meaning, Types and measurement–J.S.Mills and Modern Approach. Concept of Actual gains and potential gains from trade. Trade Multiplier

Unit-3 : Balance of Payment and Exchange Rate (15 Hours)

Concepts and Components of BOP, Equilibrium and disequilibria in Balance of Payments, Types of Disequilibrium, Remedial measures to correct the disequilibrium. Types of Tariffs and Quotas and Their Impact on Partial Equilibrium Analysis. Concept of Optimum Tariff.

Exchange rate: Meaning, functions and determination of the equilibrium rate of exchange.

Purchasing Power Parity Theory, fixed and flexible, spot and forward exchange rate, Devaluation and depression, and arbitrage. Exchange rate policy in India

Unit-4: Indian International Trade and Trading Blocks: (15 Hours)

Direction and Composition of India's Foreign Trade, Export and Import Policies of India.

Regional Trade Blocks (European Union, ASEAN, SAARC), GATT, WTO, IMF, World Bank, ADB.

10 Text Books

11 References:

- 1) Agarwal, Babita Antarrastriya Arthshastra, Omega Publications.
- 2) Bhatia, H.L International Economics, Vikash Publishing House.
- 3) Field, Alfred.J & Appleyard, Dennis.R International Economics, McGraw Hill
- 4) Kennan, P.B, The International Economy, Cambridge University Press London.
- 5) Kindleberger, C.P. International Economics, R.D. Irwin, Home Wood.
- 6) Krugman, P.R. and M. Obstfeld International Economics -Theory and policy, Glenview, Foresman.
- 7) Krugman, Paul.R & Obstfeld, Maurice International Economics, Pearson.
- 8) Mithani, D.M, Money, banking, International Trade and Public Finance, Himalaya Publishing House.
- 9) Patel S.J. Indian Economy Towards the 21st Century, University Press Ltd, India.
- 10) Salvatore, D.L. International Economics, Prentice-Hall, Upper Saddle River, N. J.
- 11) Salvatore, Dominick International Economics: Trade & Finance, Wiley Publishers.
- 12) Soderstein, International economics, Macmillan Press Ltd, London
- 13) Vaishya, M.C. & Singh, Sudama International Economics, Oxford & IBH Publishing House, Delhi

12	Internal Continuous Assessment: 40		60 marks Semester end Examination																
13	Internal Assessment: 40 marks (Internal Assessment- without Practical Courses)																		
	Sr. No.	Particular		Marks															
	01	One periodical class test / online examination is to be conducted in the given semester		20 Marks															
	02	One Project with a presentation based on the curriculum to be assessed by the teacher concerned		10 Marks															
		Presentation	05 Marks																
		Written Document	05 Marks																
	03	Active participation in routine class instructional deliveries and overall conduct as a responsible learner, mannerism, articulation and exhibit leadership qualities in organizing related academic activities		10 Marks															
14	Question Paper Pattern External Assessment 60 Marks Marks: 60 Duration: 2 Hrs. <table><tr><td>Question No</td><td>Particular</td><td>Marks</td></tr><tr><td>Q-1</td><td>Attempt Any 2 out of 3 A. (Based on Unit I) B. (Based on Unit I) C. (Based on Unit I)</td><td>15 Marks</td></tr><tr><td>Q-2</td><td>Attempt Any 2 out of 3 A. (Based on Unit II) B. (Based on Unit II) C. (Based on Unit II)</td><td>15 Marks</td></tr><tr><td>Q-3</td><td>Attempt Any 2 out of 3 A. (Based on Unit III) B. (Based on Unit III) C. (Based on Unit III)</td><td>15 Marks</td></tr><tr><td>Q-4</td><td>Attempt Any 2 out of 3 A. (Based on Unit IV) B. (Based on Unit IV) C. (Based on Unit IV)</td><td>15 Marks</td></tr></table>				Question No	Particular	Marks	Q-1	Attempt Any 2 out of 3 A. (Based on Unit I) B. (Based on Unit I) C. (Based on Unit I)	15 Marks	Q-2	Attempt Any 2 out of 3 A. (Based on Unit II) B. (Based on Unit II) C. (Based on Unit II)	15 Marks	Q-3	Attempt Any 2 out of 3 A. (Based on Unit III) B. (Based on Unit III) C. (Based on Unit III)	15 Marks	Q-4	Attempt Any 2 out of 3 A. (Based on Unit IV) B. (Based on Unit IV) C. (Based on Unit IV)	15 Marks
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