COMC009 – Global Trade and Investment Policy

Masters of Commerce
Semester IV
DSC - Core Paper
Global Trade and Investment Policy

Course Type/ Course Code	Course Title	Lectures	Tutorials	Practical	Credit	Pre-requisites
COMC009	Global Trade and Investment Policy	3	1	0	4	NIL

Objective: The objective of the course is to acquaint the students with the foundations of global trade and investment framework and the evolution of international trading system. The course will equip students to assess and analyse policy making with regard to international trade and investment, and enable them to identify emerging global challenges in this domain.

Learning Outcomes: On completion of this course, the student should be able to:

- Evaluate the strategic considerations behind different trade and investment policies;
- Trace the evolution of global trading system and its role in regulating international trade;
- Assess the effectiveness of regional and multilateral trade and investment frameworks; and
- Apply trade and investment theories and policy frameworks to analyse current international economic challenges

Contents:

Unit I **(10 Hours)**

Theoretical foundations of international trade; Government intervention in international trade: political and economic arguments; Instruments of trade policy: tariff and non-tariff barriers

Unit II **(12 Hours)**

Evolution of international trading systems: GATT and WTO; Principles of WTO; Institutional aspects of WTO (including Dispute Settlement Mechanism); Important Agreements of WTO (Agreement on Agriculture, GATS, SPS, TBT, TRIPS)

Unit III **(11 Hours)**

Regionalism and multilateralism; Free Trade Agreements (FTAs): elements, benefits and technical clauses (Rule of origin, market access, tariff schedules); Trade creation and trade diversion; Evolution of nature of FTAs

Unit IV **(12 Hours)**

Theories of FDI - Market imperfections theory, Strategic behaviour, Product life cycle theory, Dunning's eclectic paradigm, Springboard perspective; Costs and benefits of FDI; Bilateral investment treaties and FTAs with investment chapters; Standards of investment protection and dispute resolution.

Tutorial Exercise:

The students shall be asked to analyse global trade and investment trends to understand regional dynamics. They will be given a critical trade issue or current event and then asked to write a policy brief discussing their approach towards participation in negotiations and explaining strategic considerations behind the same.

Suggested Reading:

- Daniels, J. D., Radebaugh, L. H., Sullivan, D. P. & Salwan, P. (2016). *International Business: Environment and Operations*. Pearson.
- Salvatore, D. (2013). *International Economics*. John Wiley & Sons.
- Griffin, R. W. & Pustay, M. W. (2015). *International Business: A Managerial Perspective.* Pearson.
- Hill, Charles, W. L. & Jain, W. L. (2014). *International Business: Competing in the Global Marketplace*. McGraw Education (India) Pvt. Ltd.: New Delhi.
- Ball, D. A., Wendall, H. M., Geringer, J. M., Minor, M. S. & McNett, J. M. (2009). *International Business: The Challenge of Global Competition*. Tata McGraw Hill Education Pvt. Ltd.: New Delhi.
- Sodersten, B. & Reed, G. (1994). *International Economics*. Palgrave Macmillan.
- UNCTAD (various years). *World Investment Report*.