

Strategic Trade and protectionism Theories and Empirics
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Lecture - 01
Introduction to Strategic Trade and Protectionism

Welcome to the NPTEL module on Strategic Trade and Protectionism Theory and Empirics. This is as part of the MOOC program of the Ministry where you know many you know latest aspects of trade and strategies are required to be discussed in detail for holistic learning. So, we are you know having this course particularly to attach number of information pertaining to International trade and number of latest strategies taken up by member countries to restrict their flows of goods you know goods and services.

So, in this context this is the introduction to the Strategic Trade and Protectionism. Myself, Dr. Pratap C. Mohanty. I am a faculty member at you know Indian Institute of Technology Roorkee. So, let me have the privilege to explain you the details of strategic trade as an anecdotal you know explanation to the international trade, we need to have various theories, various facts, various challenges, various cases then you know various you know group formed by different countries. So, and what is the structure by which we are following are actually the coverage of this particular lecture.

Now, as this is part of introduction to the strategic trade I just like to highlight here based on the World Economic Outlook data published in April 2019.

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Introduction to Strategic Trade

- As per WTO, World trade growth has **slowed down to 3 per cent** in 2018 majorly due to trade protectionism (World Economic Outlook, April 2019).
- This is much below the growth rate of 4.6 per cent in 2017.
- Caused by introduction of **new and retaliatory tariff measures**.
- This follows a heightened **US-China trade tensions**, weaker global economic growth and volatility in financial markets.
- Slow down in trade is also due to **increasing trade integration**.
- WEO also clarifies that trade protectionism **diverts bi-lateral trade imbalances** from one country to another.
- Since this increases trade deficits, also cause **macroeconomic imbalances**.

It is very recent data. So, this shows that the world trade growth has actually slowed down by roughly around 3 percent in 2018 due to major trade protectionism and this is much below to the you know growth rate of 4.6 percent in 2017 which is actually caused largely by caused largely by new and we know retaliatory tariff measures as I just mentioned by the World Economic Outlook.

And this is also being you know hampered by the recent trade war between USA and China and or due and other factors like slower economic growth and volatile in financial market and some other authors mentioned in different writings that it is not just due to these factors also increasing integration among the member countries really caused the you know protectionism in a different form and in the strategy is actually raised by the members in integrating their trade among themselves.

WEO World Economic Outlook also clarifies the fact that trade protectionism actually lead to some forms of you know diversion to the trade and this creates lots of imbalances among the member countries. Therefore, those imbalance says largely you know you know factor in the macroeconomic you know disturbances.

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The slide features a blue header with the title "Introduction to Trade Theories: What, Why and for Whom?". Below the header, there are two columns of bullet points. The left column lists: "Fallacies of International Trade", "Why Economists Are Worried About International Trade", "Jack of All trade - A Myth", "Recent theories and the factors", "Evidences to believe theories", and "A Caveat of Trade Effects". The right column lists: "Rationale...From Data", "Free Trade . . . Not Good Always", "Why is trade good?", "Social and Political Questions", "A short history of protectionism", "Birth of WTO", and "Is free trade always the answer?". At the bottom left, there are logos for "swayam" and "MOE". At the bottom right, the number "3" is displayed.

**Introduction to Trade Theories:
What, Why and for Whom?**

- Fallacies of International Trade
- Why Economists Are Worried About International Trade
- Jack of All trade - A Myth
- Recent theories and the factors
- Evidences to believe theories
- A Caveat of Trade Effects
- Rationale...From Data
- Free Trade . . . Not Good Always
- Why is trade good?
- Social and Political Questions
- A short history of protectionism
- Birth of WTO
- Is free trade always the answer?

Now, you know to understand the I mean the course of the module is part of the introduction lecture.

We must understand some of the you know factor, I mean some of the conflicting context like fallacies of international trade, it says that one fallacy is that all theories, all experts suggested repeatedly or all the member countries in the different negotiations of WTO repeatedly mentions about reduction of trade that will facilitate international trade and all the country

will grow together, but you know conversely or quite paradoxically all the members are actually imposing restrictions.

So, this kind of fallacy is actually you know is which has led to the problems. Then the second point here I am mentioning that you know those trade policies is advocated in different rounds or different groups that stand to benefit from trade restrictions to the member countries. So, therefore the you know groups or the restriction there is are actually benefiting the member countries.

So, the so this is clearly a fallacy to the International approach theories. And why economies are largely worried about International trade because the way strategies or you know restrictions have been rising over the time under the negotiations of WTO or under the cabinet of WTO, you know these restrictions have been actually multifaceted and very difficult to you know capture.

So, the I mean for your example there are 25000 cases are actually raised you know relating to non-tariff various by the member countries. Out of that only you know less than 400 cases are actually taken to the table after validating or it submissions, then out of 490 you know 7 cases, only 6-7 I mean discussion have been solved till the date.

Now, imagine how you know things are moving and how those problems are becoming you know multiple. So, how to solve it is a bigger challenge to the economist. Now a myth is that you know a country with jack of all trade will lead the trade actually not necessarily true. That was contracted by some of the theories, specially in compared with advantage you know framework and also will emphasize reveal comparative advantage framework to contradict this context.

We will talk about certain recent theories accordingly and the factors associated to the explanation of those myths and certain evidences. Examples will be also followed in the due course of our lecture and their effects in terms of social societal welfare, country's welfare

consumers or producer losses can be explained, rationality behind the data will also be checked.

While we said that you know social and political questions are important we need to actually check the history of their protectionism, then only a better answer could be actually attributed and last sort of you know or module will follow with the birth of WTO and how it is instrumental in making the trade you know more you know transparent and less restrictive.

So, this is the dilemma we have already explained. Now, so, our theory is largely let us come back to the theories and empirics accordingly. Our theories will largely talk about the strategic trade and also talk about certain possibility of a protectionism based on the theoretical understanding.

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The slide features a blue header with the text "Theories and Empirics on". Below the header is a bulleted list of topics:

- Big country versus small country debates
 - Strategic Trade
 - Trade protectionism
- Intra-Industry Trade versus Inter-Industry Trade
- Nominal protection versus effective protection

Handwritten red notes on the right side of the slide include:

- economies scale
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- non-tariff barriers
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- different goods

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We will also unfold the discussion for big country versus small country debates in these regard how big countries are benefited due to import restrictions or tariff or how small countries should be attached with the big countries, so that big small countries will always take the advantage may be the case that small countries not you know influencing the terms of trade or under certain circumstances, but still it is beneficial for the small country to be in trade.

Now, as part of the discussion on theory we will also talk about Intra Industry versus Inter Industry Trade within industry and outside industry or on or industry with another industry or within the industry or among the firms how trade takes place and this is the debate we will refer to the role of economy of scale economies of scale of production and thereby we will talk about monopolistically competitive market, stically competitive market and its role in differentiating products.

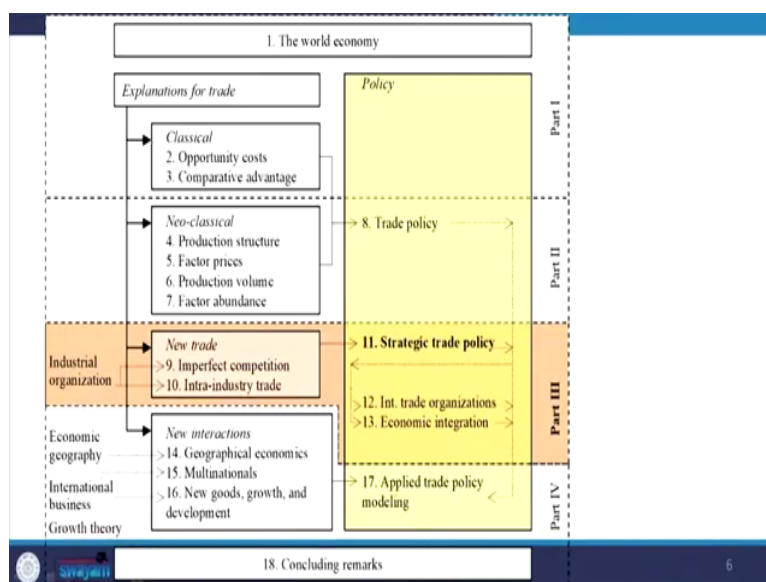
So, thereby trade takes place and trade within trade is also is also important and this is the present days you know trade you know context and while discussing these we will also emphasize the you know the protection the type of protection the different forms of protection like you know tariff non-tariff barriers, out of that which forms of protection is more effective when analyzed with the help of consumers and you know producers losses or the net welfare changes to the country.

And we will emphasize at the last of the module as I just said on trade creation versus trade diversion while forming integration. Some groups are attached with some groups, but it is also cutting off from another groups.

So, therefore some there are possibility of creation versus diversion and in that particular context we will discuss various forms of groups like you know Foreign Trade Agreement, Preferential Trade Agreement, Customs Union Common Market. So, we will be emphasize on the very last week of our lecture or that is the 8th week our lecture we will talk about those aspect in detail.

So, here is the map, complete map of our understanding on different theories.

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Here you look at the classical and how they believe on you know complete versus incomplete specialization. There is no question of incomplete specialization discuss in classical form framework we will discuss. Similarly the new theory of trade specially on the understanding of availability of resources and the factor prices, factor price equalization and technological changes and then economy of scale, then here we are emphasizing economic scale intra industry trade argument where the strategy derive strategic trade policy actually derive based on these.

And therefore, the strategy lead to some forms of interaction among the countries. So, geographical proximity or the multinationals, new goods, growth, their connection, transport cost are quite important in explaining the strategic trade policy or in the context of new trade

policy accordingly. So, therefore this is the you know one which is very important for explanation.

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Now as a quality check of the fraction figure we said or the theories we are going to explain starting with a case study here. Now recently is highlighted in 2019 May, you know US Census Bureau, BBC research. So, we are citing the source here in order to authenticate the discussion that there has been a trade war between you know USA and China, specially on that extent of restriction, they raised for their products. Now to count a few US tariffs on China, US tariffs on China in total it is 250 US billion dollar.

So, 250 billion US dollar are actually the tariffs on Chinese product raised by US. The tariffs you impose was in 2018, so and tariffs threatened by Trump further to the level of 320 billion US dollar. Now at this moment till 2018, it was up to 250 billion US dollar whereas that I

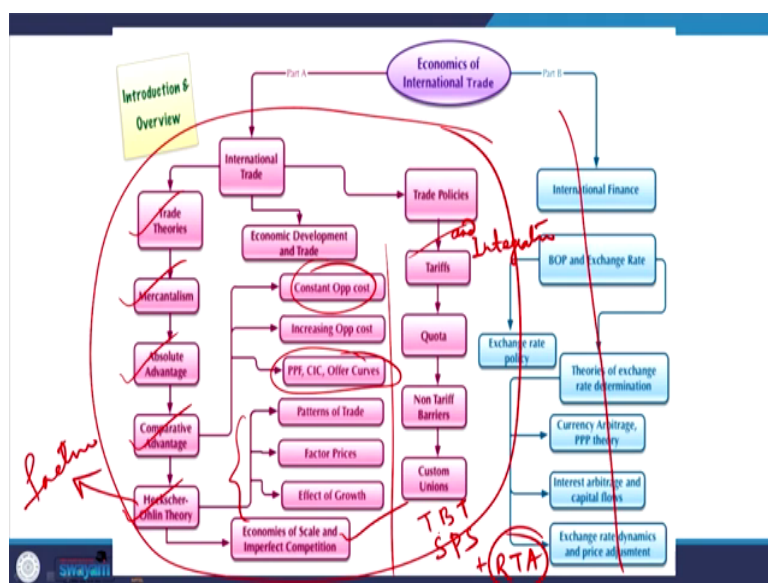
mean whereas the I mean the Chinese tariffs on US, China is actually inter related to it also. So, accordingly that 110 billion US dollar impose in 2018.

There we target actually to make it 120 billion US dollar as China reported. So, now total Chinese goods imported to US in 2018 was 539 billion US dollar. So, now look at who is dependent on home and how the restrictions are made and you know US is deliberately doing it to you know restrict Chinese impose Chinese products and they are imposed to US and to protect their country.

So, they now let us know interpret largely. Why they are charging point number 1, why and what kind of restrictions and you know and why retaliation then 4th one is you know what is the theoretical explanation to it theoretical explanation to it and how India is affected India in this context India's case must have been also discussed in our the course of lecture.

So, and does you know I mean partnering with another country or another group who is going to reduce the burden on the restrictions made by another country. So, therefore you know integration is more important as well to be emphasize later on.

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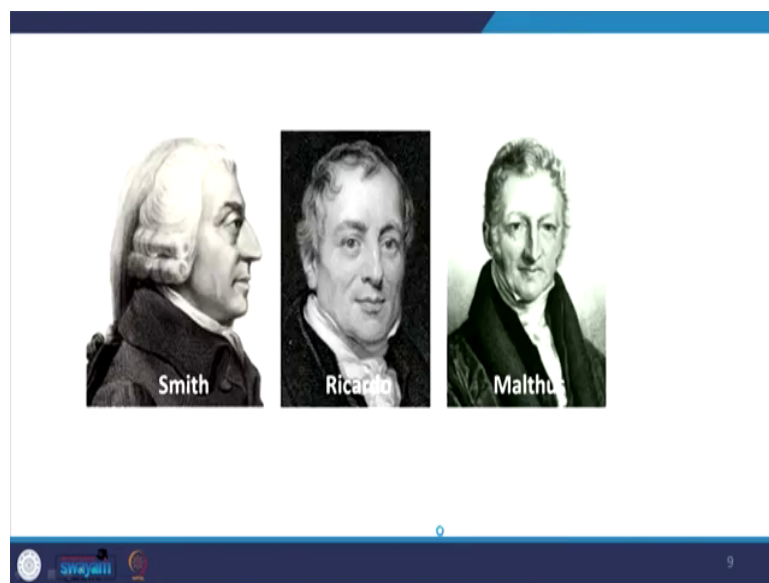


So, now overview of a course this portion we are not covering as part of the lecture. We are only covering this much, you go and check my PPT and find out. So, trade theories we will discuss, classical mercantilism, you know advance with absolute cost advantage, comparative cost advantage theory, Heckscher Ohlin theory where they are largely talked about the you know factor endowment and their differences in trade and also criticize their theory by certain empirical testing, then from the comparative advantage theory we will emphasize the opportunity cost of production and the discussion in trade.

We will talk about the offer I mean not the offer curve I mean offer curve through two times I mean the linear production possibility frontier. Here we will emphasize the you know increasing cost function that is responsible for differentiating the product is largely emphasized by economy of scale and imperfectly competitive market.

After discussing there are many other theories are not captured in this you know diagram. You will find out in the due course of the lectures and the last part of the lecture is on trade policies integration and integration. So, tariff non-tariff barriers specially you know specially TBT; Technical Barriers to Trade, Sanitary and phytosanitary measures and plus know RTA. We will talk about RTA regional trading arrangements among the member country as a strategy for protectionism of that trade.

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Now, these are the people, these are the experts by which we start the discussion for International Trade, Smith Ricardo and Malthus.

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Trade Theories

- **Classical**
 - 1. Mercantilism (William Petty, Thomas Munn and Antoine de Montchrétien model)
 - 2. The Absolute Advantage (Adam Smith model)
 - 3. The Comparative Advantage (David Ricardo model)
- **Modern**
 - 1. Resources and Trade (The Eli Heckscher and Bertil Ohlin Model)
 - 2. Specific Factors and Income Distribution (Paul Samuelson - Ronald Jones Model)
 - 3. The Standard Model of Trade (Paul Krugman – Maurice Obstfeld Model)

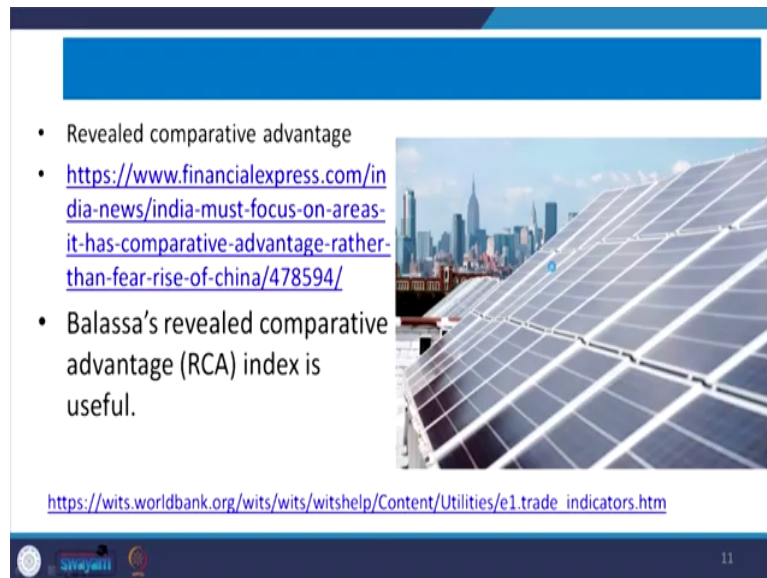
So, trade theory is an anecdotal you know explanation to the internal trade. Mercantilism we will discuss. I mean we will discuss in our next you know next to next lecture where William Petty Thomas Munn and Antoine de are actually important.

In Absolute Curve Advantage Theory, Adam Smith is quite I mean he is the Father of Economics. His theory is the foundation behind the International trade theories as well whereas in comparative advantage theory, a comparative cost advantage have been mapped and accurately David Ricardo talked about International trade.

Now, as part of the modern explanation to the theory we talked about resources and its explanation emphasized by Heckscher and Ohlin and there are specific factor income distribution model mentioned by Samuelson and Jones. Even Heckscher Ohlin and Samuelson model and that is famously known as Factor Equalization Theory and there is

another modern theory mentioned by Standard Model of Trade by Krugman and Obstfeld and let us take another case to the understanding in it has reported in The Financial Express.

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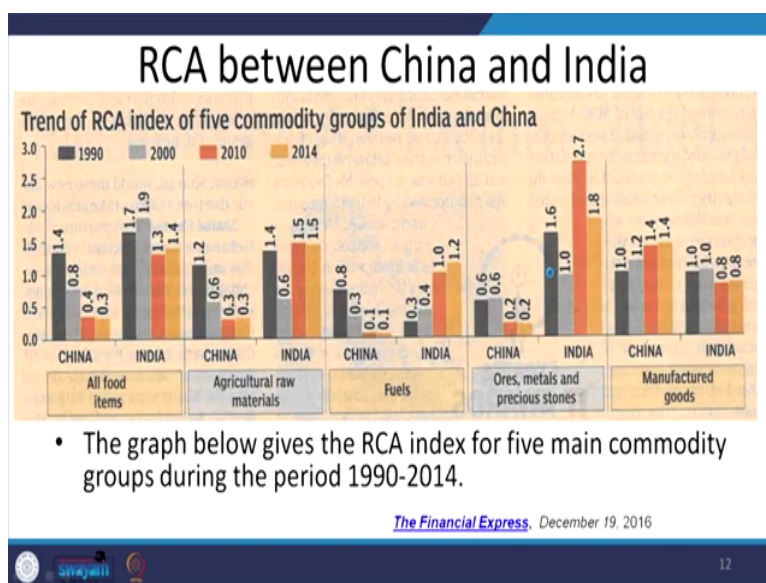


- Revealed comparative advantage
- <https://www.financialexpress.com/india-news/india-must-focus-on-areas-it-has-comparative-advantage-rather-than-fear-rise-of-china/478594/>
- Balassa's revealed comparative advantage (RCA) index is useful.

https://wits.worldbank.org/wits/wits/witshelp/Content/Utilities/e1.trade_indicators.htm

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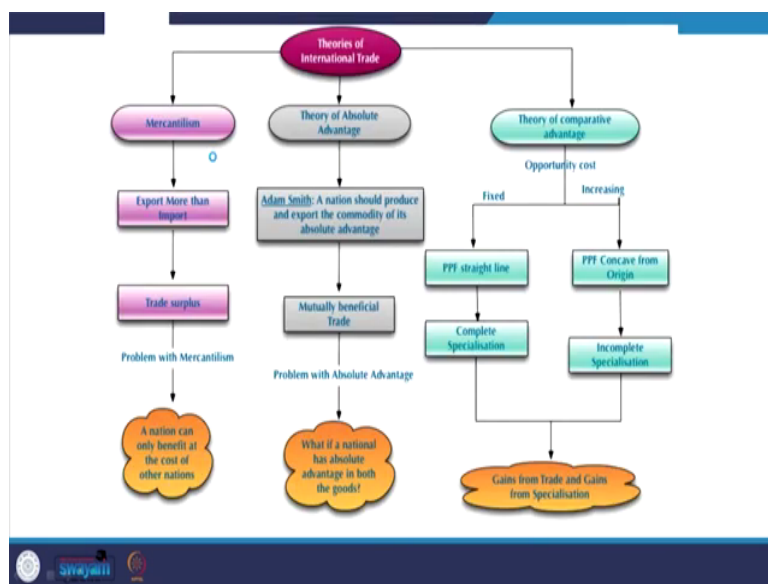


Financial Express in 2016, December 16 and specially here we will talk about the reveal comparative advantage in one of the module of our you know lecture on the understanding of strategic trade, so where the emphasis on should India be worried on Chinese you know growth or Chinese or rather trade between or the trade war between USA and China, all simply the Chinese growth.

Now with the contribution of Balassa's revealed comparative advantage theory I must mention here that you know India should not worry because of the faith that though comparatively in USA has China has huge advantage, China has huge advantage in manufacturing goods for comparative advantage front as well as in reveal comparative advantage states, China as compared to India.

So, there are different in all other you know components look at all other component like food items, agriculture and raw materials, fuels, ore, metals and precious metals etcetera or precious stones etcetera from 1990 till 2014 data is reported in Financial Express that India has you know advantages comparative revealed comparative advantages.

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So therefore with rise in China is not going to create any you know further threat to Indian context. So, therefore it is not problematic. In India you should maybe you should be cautious and may be cautious in one of the field specially in manufacturing product or manufacturing case.

And as you all know India has Indian government has already started the number of we know steps specially for Make in India of program and this was the original you know case phrase

in China, you know 10 years back where they talked about you know Make in China model. So, India has been trying its best to actually have manufacturing base of many products.

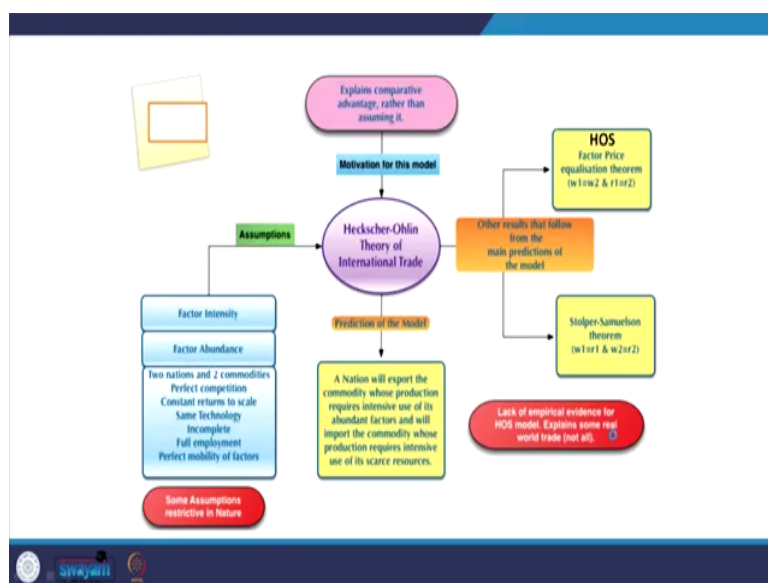
Now let us have the discussion of the theories once again in a diagram. So, here the in this color we are discussing Mercantilism in one of the lectures, then in another lecture we will have Absolute Cost Advantage Theory by Adam Smith, then some of the implications who should their betrayed should it be mutually beneficial.

So, what are the problems of absolute cost advantage could be discussed, then we know the theory of comparative advantage would also be taken off where fixed proportions and increasing I mean fixed cost function and increasing opportunity cost function will be emphasized. When it is increasing cost function, the production possibility frontier where which I am going to I am going to use it in one of the lecture and you can clarify accordingly will be actually non-linear and concave to the origin and that is led to or that lead to or that leads to incomplete specialization.

Whereas in case of fixed opportunity cost or constant opportunity cost, we have complete specialization because we have a corner solution and these answers you will get it from the respective lecture series and you check our schedule and also the respective questions in each of the we know week lecture or week module, you will find out the better understanding of each of the context.

So, there each of the theory suggests that gains from trade and gains from specialization are two important aspects of the theory.

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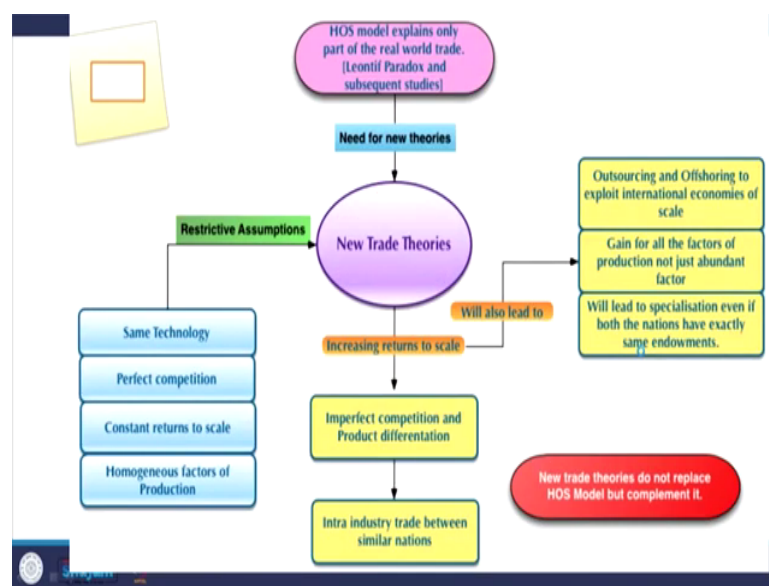
So, far as the new classical theories are concerned or the modern theory are concerned, we will largely refer to Heckscher Ohlin model and that is purely based on you know factor availability or the resource availability and also the famous word called Factor Endowment that can be explained through factor intensity or factor abundance. This is clearly highlighted in that particular lecture and it suggest that you know higher the resources, higher the endowment you have, higher the possibility of specialization and minimizing the cost and therefore, there will be trade. So, Heckscher-Ohlin model is very important.

Now certainly it is based on certain assumptions. You must check it accordingly. Now, so, this has led to two interpretation; one is called a Factor Price Equalization Theorem which says that wage rate in one lead to wage rate in another and interest rate in one lead to interest I mean equalization of interest rate another $w_1 = w_2$ and $r_1 = r_2$.

Whereas, this as highlighted by Stolper-Samuelson theory that w_1 not just equal to w_1 , I mean w_2 I mean wage rate in one country will equalize will be equalized with wage rate in another country. Instead of that you know that will be happening plus it will equalize across the firms like w_1 will be equalized with r_1 and w_2 will be equalized say r_2 .

So, therefore there will be factor price equalization, but emphasized in different format.

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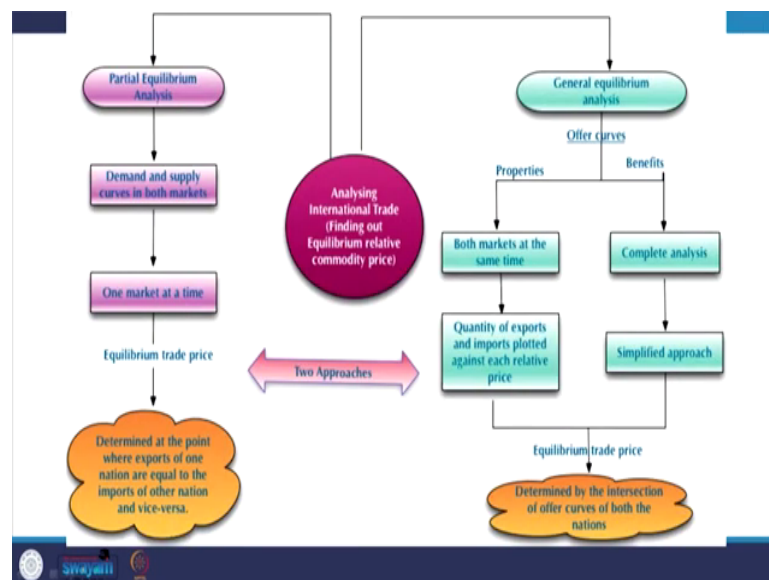


So, in a new trade theory specially the role of economy of scale and its connection to internal trade strategies where the economy of scale is important and increasing economy of scale which caused the monopolization of the product and differentiation of product lead to certain forms of imperfections in the market and therefore, that will cause intra industry trade instead

of inter industry the all previous theories have been emphasizing on inter industry framework to explain the international trade.

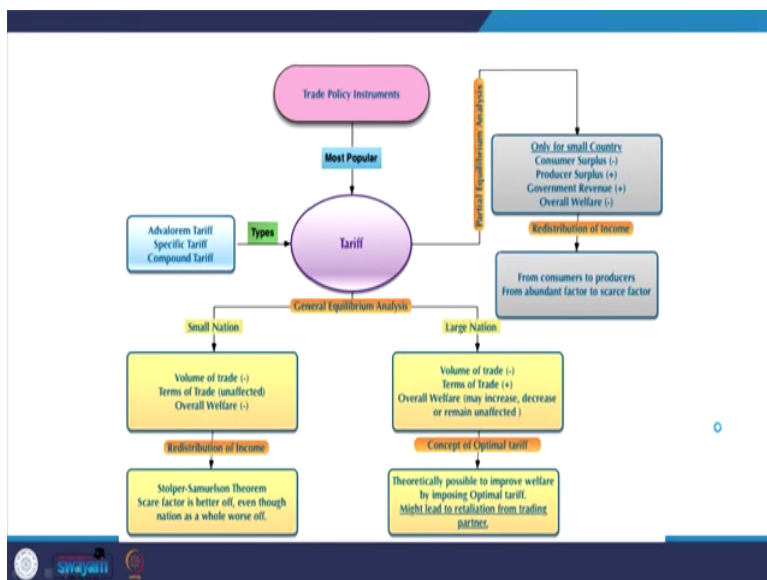
So, therefore these theory is little new and it integrated more to explain the intra industry trade or for you know trade within the industry and so, accordingly various interpretations are made and how outsourcing or offshoring are actually one of the strategies made by different member countries or different countries to harness the benefits of economy of scale.

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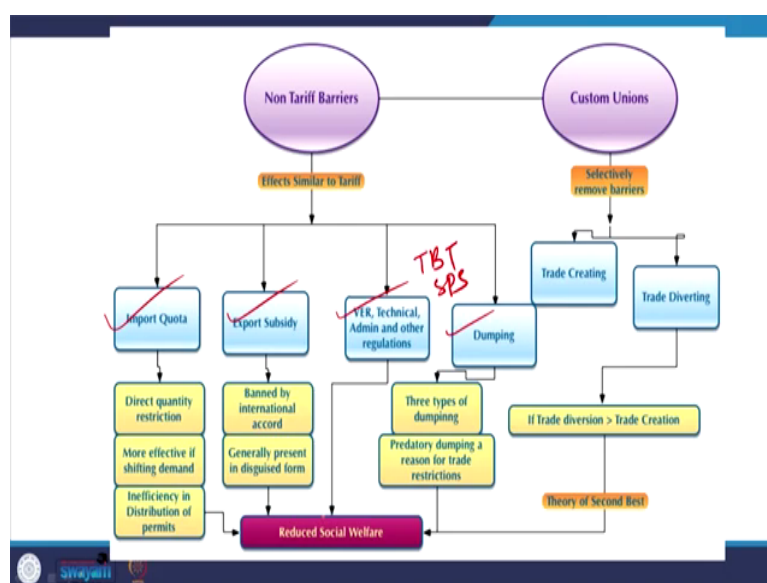
We would be taken off in one of the module, one of the week of the lectures, then we also emphasized partial equilibrium set off as compared to general equilibrium set off. So, where we will take the help of offer curve or simple demand and supply diagram to understand whether the approach lead to complete specialization or incomplete specialization.

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Now, here the module specifically on tariffs and tariff in the context of small country, their types a small country, large country and implications on them specially on consumers, producers, government revenue, then trade effect then how it distributes income to the small country, large country will be taken off and the we know relating those tariff and another one is called non tariff barriers like you know recently discussed.

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I mean in the present day debates on TBT and SPS it is not mentioned you write down technical barriers to trade and SPS or one or the recent you know restrictions raised by different member countries and different cases are observed.

Import quota, imports export subsidy, voluntary export restraint, technical you know subsidies dumping etcetera are part of the discussion of non-tariff barriers and last, but not the least aspect of international I mean strategic trade and protectionism aspect is through WTO World Trade Organization or the formation of Customs Union. There are different types of Customs Union would be emphasized preferential trading agreement, free trade area, customs union, common market or common union would be also discussed in detail.

So, now while we discuss this we will be certainly interested in identifying the one context called trade creation versus trade diversion. So, trade creating strategies versus trade

diverging strategies or the membership among the you know countries actually lead to some forms of creation versus diversion whether diversion creates net welfare or positively or negatively can be also identified and accordingly, a theory of second based was also emphasized. We will take off in the last week of the module.

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Now having said all those discussions I think it is always important that how to have a balance, how to take support.

Here is the person facing the third party to be attached. Now within the country members, entrepreneurs, government connection, international community, banks or other community in the context are very important and we have discussed.

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Cases of Trade Diversion

- India has opened conversations with over **250 American companies** that are exploring a shift in manufacturing operations from China.
- Globally, many companies are following a strategy called 'China Plus One', which refers to efforts to diversify supply chains by setting up a production base in at least one other country besides China.
- "Under this strategy, businesses started to shift to Vietnam and Thailand from mainland China as these two South-East Asian nations have attractive free-trade agreements (FTAs) for third-country exports.
- A case in **example is Samsung**, which started operating from Vietnam a few years ago and today contributes significantly to that country's gross domestic product. But these markets in SE Asia are small, and India's attraction is its huge market and growing middle class. This is India's chance in history

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So, certain other examples like you know cases for trade diversion are observed. 200 and American companies 250 American companies, it has been observed that India has opened conversation with over 250 American companies that are exploring a shift in manufacturing operation from China as part of the discussion of a trade war.

Now, it is recently debated and discussed in many newspaper highlighted the China Plus One. Now if you have manufacturing base in China, add another plus one because China is not dependable that much in International trade discussion. Now specially Samsung case, I think I have already you know I mean mentioned here, under the strategy business started shifted to Vietnam largely and Thailand from mainland China and these two South-East Asian nations have attracted Free Trade Agreements for third country exports

Specially the case of Samsung operating from Vietnam a few years ago and today contributes significantly to the country's Gross Domestic Product. These markets in South-East Asian countries are actually very small, and India's attraction is because of its huge market and growing of its you know middle-class. This is India's chance in history in most tap.

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Other Distortions

- crude oil prices have begun to harden following production cuts by oil exporting countries with the US also cutting out oil supplies from Iran, while prices of other commodities have also risen due to **supply distortions**.
- These developments increase the vulnerability of external sector of **emerging market economies** like India, which are dependent on crude imports for fueling their economic growth.
- Global slowdown of output and trade, increase in trade protectionism across the world and shifting of the consumption hub to the emerging and developing economies that the developments on India's trade and strategic trade policies have been discussed.

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Tap is early as possible. So, even as we have discussed large number of distortion taken place specially for the supply side, distortion made due to oil prices and many other restrictions are made by forming groups and famous example of forming group is Opaque organization of petroleum exporting countries and you know these developments increase the vulnerability of external sector of emerging markets specially India and there have been you know many other instances were consumption shifted production shifted accordingly strategies are actually developed by the member countries.

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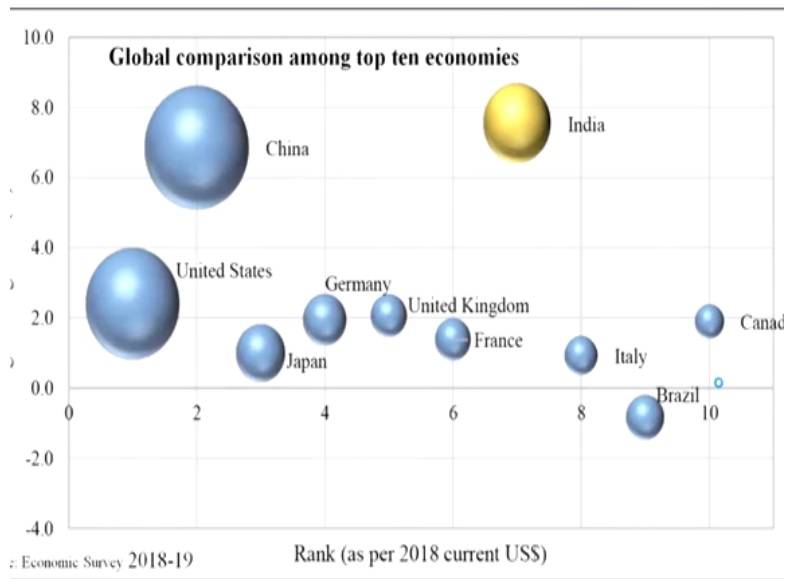
Latest Facts on India's Trade

- Among the major economies running current account deficit, India is the largest foreign exchange reserve holder and eighth largest among all countries of the world.
- India has signed **28 bilateral/multilateral trade agreements** with various country/group of countries.
- India is the **seventh largest economy** in terms of Gross Domestic Product (GDP) in current US\$ and has emerged as the **fastest growing major** economy
- The **average growth rate of India** was not only higher than China's during 2014-15 to 2017-18 but much higher than that of other top major economies (measured in terms of GDP at current US\$ terms) as well
- With Purchasing Power Parity (PPP) adjustments, India's GDP at current international dollar, **ranks third** in the world

Now, among the major economies running current account deficit, India is the largest foreign exchange reserve holders and eighth largest among all countries of the world. So it is the largest holder. So, therefore we not to be worried so much. India has signed actually 28 multilateral or bilateral agreements. As per the recent trend discussed India is the seven largest economy in terms of Gross Domestic Product in terms of US you know I mean US dollar.

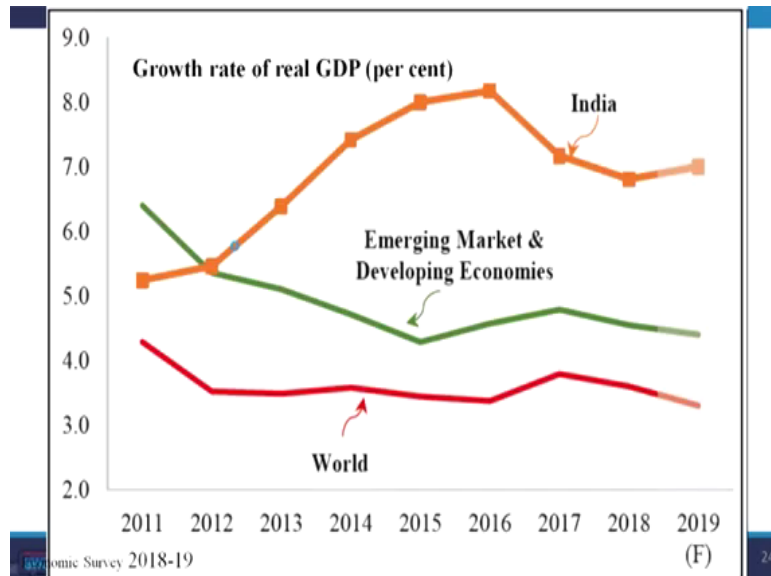
Then it is the fastest growing major economy. As per the average growth rate of India was not only higher than China during 2014-15, 2017-18, but also higher than that of other top major economies in the world. In terms of purchasing power you know parity calculation or adjustment Indian's GDPs in dollar terms is actually third ranked in the World. This is highlighted here.

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So, all those figures I said is third rank in the world.

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Now, similarly the facts I have said is highlighted here India's actually growth rate in terms of real GDP.

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Data categories	Unit	2015-16	2016-17	2017-18	2018-19
External Sector					
Merchandise export growth (in US\$ term)	(per cent)	-15.5	5.2	10.0	8.8
Merchandise import growth (in US\$ term)	(per cent)	-15.0	0.9	21.1	10.4
Current Account Balance	% of GDP	-1.1	-0.6	-1.9	-2.6 ^e
Foreign Exchange Reserves (end of year)	US\$ billion	360.2	370.0	424.5	412.9
Average Exchange Rate	₹ /US\$	65.5	67.1	64.5	69.9

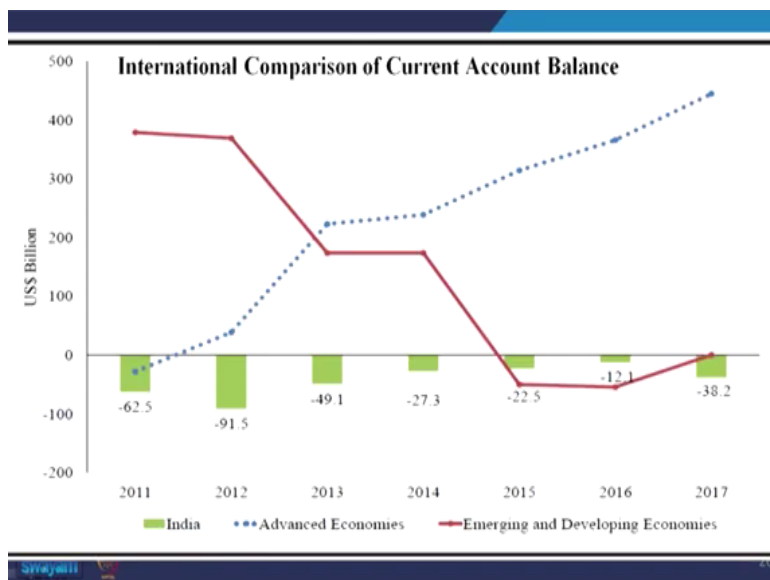
Source: Economic Survey 2018-19

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Now, this is the external sector over different period. You can follow it off. Now merchandise exports actually you know it is in positive. Merchandise imports is more than that of the exports, therefore we have current account deficit. Therefore, it is negative and other figures are important. These are specially is you know the eighth I mean reserves I have already said here that it is the eighth largest among all the countries in the world.

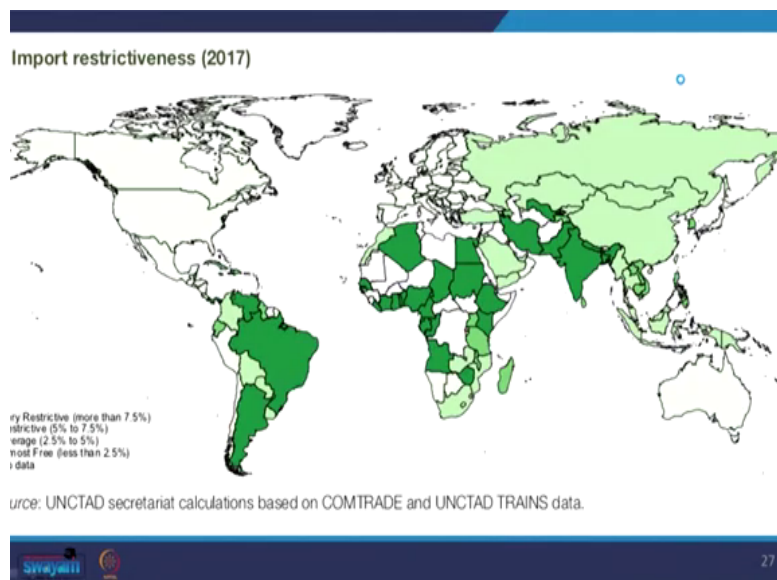
We have largest Foreign Exchange Reserves and it is highlighted here as well.

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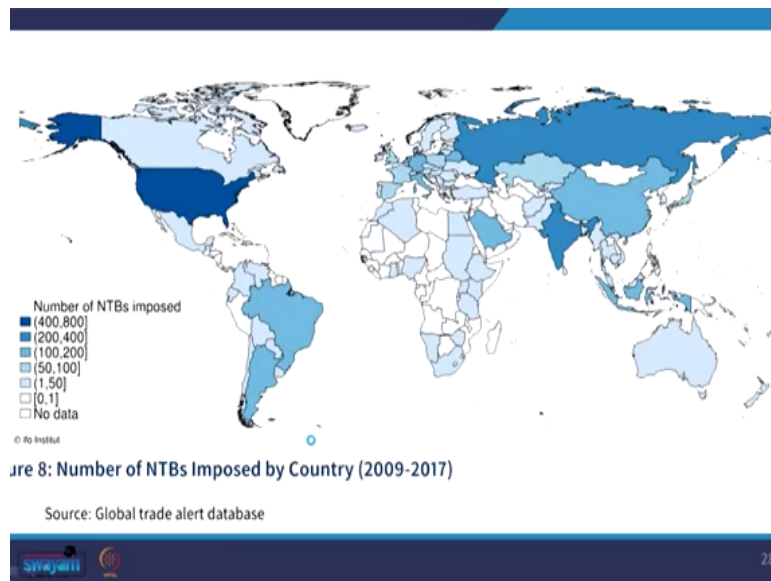
Now, these are the figures from Economic latest Economic survey 2018-19 and regarding International comparison of current account balance India you know India especially having you know negative current account balance emerging and developing economies are also usually I mean in the recent years they have also negative balance of payments, figures, but the you know advanced countries as positive one. Second with the import restrictions, as per the 2017-18 UNCTAD data.

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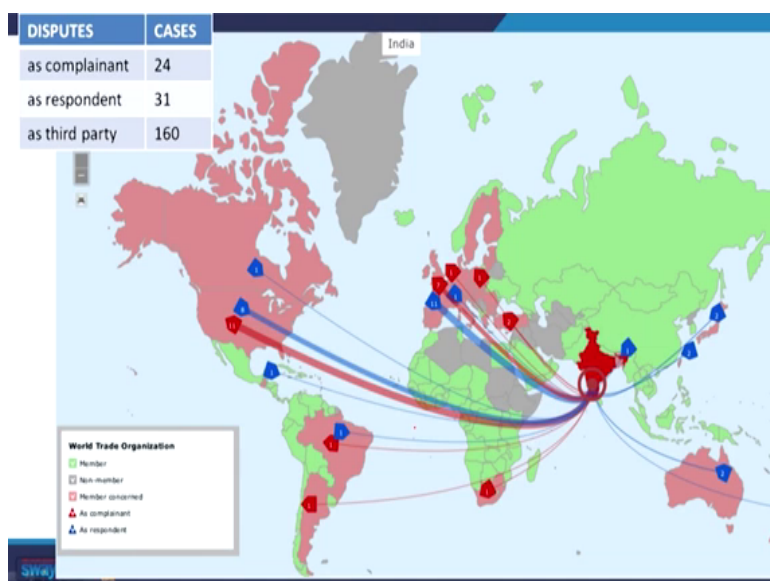
In 2017 very restrictive areas are actually India I mean it is highlighted in the deep you know green color and you can easily find out.

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And similarly for the non-tariff barriers as I said you know we will have you know 7th week lecture on it that US is actually restriction more than 800 you know items whereas, nearly half of that actually restricted by India, then followed by Russia.

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So, last one to be discussed is a check point for our understanding in the very beginning of the Strategic Trade lecture is related to the dispute cases raised by the member countries visibly India to solve the cases.

Now, here a case is here mentioned that red is highlighted as number of you know complaint raised by India related to you know the disputes or non-tariff barriers or the restrictions. Green are the complaint raised by other countries and India is actually negotiating it and trying to solve it. So, as a complainant India there are 24 cases, as a respondent in there are 31 cases or complainant imposed or India has you know products or restrictions as a third party, it is 100 and I mean 160.

Now, another case to be attached here as part of International trade discussion, now specially on strategic trade and protectionism aspect in the very beginning lecture that recently the

WTO negotiations could be able to solve a complaint raised by Bangladesh. See you know music band called Miles will have these details in our last week of the module and the band, the band called Miles actually raised a complaint in the WTO you know forum that India Indian movie and there and the song composer Anu Malik in that particular movie Murder has actually copied a song and.

So, that again you know in due course of I mean during that course of time the Bangladeshi composer again consulted with various experts of WTO and they discussed with various member countries and finally, it was agreed that you know this is a clear violation of copyright as part of the TRIPS; Trade Related Intellectual Property Rights.

So, this was under the TRIPS segment where music composition music you know you know details related songs and their copy only 8 channels by which copy can be made for different songs or their music, but not more than that. Actually in India in that context actually violated, it is highlighted by different newspapers and finally, Bangladesh won the case and that was a clear case out of the 6 disputed case solved. So, that was one of the most important case is an example of role of WTO and settling the disputes of the member countries as part of the strategy and protectionism framework.

So, therefore we have learned many aspects in the very introduction. We will expect all those details and their justification in their respective sessions. So, therefore I will suggest everyone to we do not mark the each of the words of mine as I discussed the introduction lecture and try to clarify in their respective one. So, I hope it gives a you know illuminating ideas of Strategic Trade and Protectionism and rest we will follow in the respective lectures. With this I think I should close here.

Thank you.