This course deals with trade theories, i.e., the pattern and the gains from trade. The course presents the law of absolute advantage and the law of comparative advantage and, further, examines the basis and the gain from trade according to these theories. It formalizes the discussions of how equilibrium relative prices are determined for internationally traded goods and services. The course also presents the theory of international trade using opportunity cost, production possibility curves and offer curves. Heckscher-Olin theory is presented as well. The course also deals with new trade theories and finally ends with presenting the relation between the international trade and the economic growth.