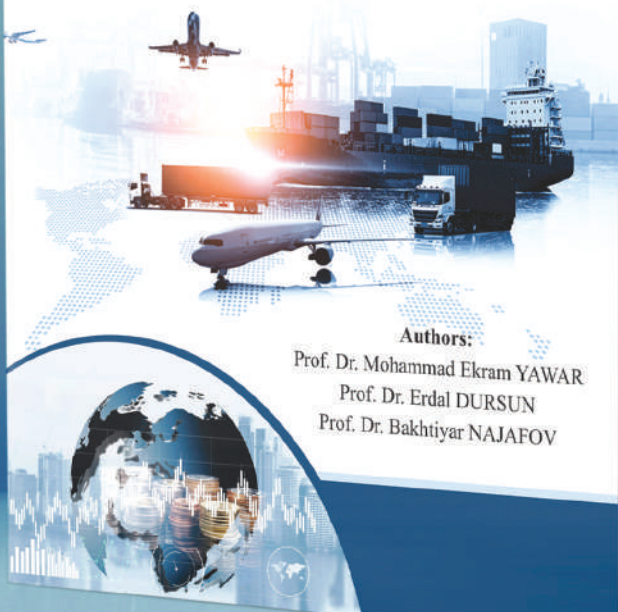


A Comprehensive Review of International Trade



Authors:

Prof. Dr. Mohammad Ekram YAWAR
Prof. Dr. Erdal DURSUN
Prof. Dr. Bakhtiyar NAJAFOV

Summary

A country has an absolute advantage in the products in which it has a productivity advantage over other countries; it requires fewer resources to produce a product. A country has a comparative advantage when it can produce a good at a lower cost than other goods. Countries that specialize on the basis of comparative advantage benefit from trade. Even when a country has a high level of productivity in all goods, it can still benefit from trade. The gains from trade are the result of comparative advantage. By specializing in the good that costs the least to produce, a country can produce more and offer that extra output for sale.

If other countries specialize in the area of comparative advantage as well as in their own trade, the highly productive country will be able to benefit from the lower opportunity cost of producing in other countries. A large share of world trade occurs between high-income economies that are quite similar in having educated workers and advanced technology. These countries engage in intra-industry trade, in which they simultaneously import and export similar products, such as cars, machinery, and computers.

In the case of intra-industry trade between economies with similar income levels, the gains from trade come from specialized learning in very specific tasks and from economies of scale. The division of the value chain means that several stages of the production of a good occur in different countries around the world. Tariffs are placed on imported goods as a way to protect sensitive industries, for humanitarian reasons, and to protect against dumping. Traditionally, tariffs have been used as a political tool to protect specific economic, social, and cultural interests.

The World Trade Organization has been and is a way for countries to meet and negotiate to reduce trade barriers. The benefits of international trade are enormous, especially for smaller countries, but they are beneficial to everyone.

Prof. Dr. Mohammad Ekram YAWAR



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International
Science &
Technology
University

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Authors:

Prof. Dr. Mohammad Ekram YAWAR

Prof. Dr. Erdal DURSUN

Prof. Dr. Bakhtiyar NAJAFOV

Editor:

Abdul Jamil SHARIFY

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Foreword,

The study of international trade and economics has become increasingly crucial in an era of global interconnectedness. The flow of goods, services, capital, and labor across borders is no longer an occasional occurrence but a fundamental part of the modern economic landscape. With markets expanding beyond national boundaries and global supply chains becoming more intricate, understanding the principles that govern international trade and economics is vital for policymakers, business leaders, students, and academics alike.

This book, *International Trade and Economics*, is designed to provide an in-depth exploration of the theoretical foundations, real-world applications, and current issues in the field of international trade. It aims to equip readers with the tools and knowledge necessary to analyze the complexities of the global economy and make informed decisions in a world where economies are intricately intertwined.

The Evolution of Global Trade

The study of international trade is as old as economic thought itself. From Adam Smith's theory of absolute advantage to David Ricardo's principle of comparative advantage, the foundations of international trade theory were laid centuries ago. These early ideas emphasized the potential for trade to create mutual benefits between nations, arguing that countries could specialize in producing goods where they held a relative advantage, leading to greater efficiency and welfare for all.

In the 20th and 21st centuries, however, the world of international trade has become vastly more complex. The advent of global supply chains, the rise of multinational corporations, advancements in technology, and the increasing role of financial markets have reshaped trade patterns in ways that traditional theories could not have predicted. This book explores how these factors influence trade dynamics and how modern trade policies adapt to the challenges of a constantly changing global landscape.

The Structure of the Book

International Trade and Economics is structured to guide the reader from foundational concepts to advanced topics in international economics. Each chapter is crafted to build upon the previous one, offering a cohesive framework for understanding international trade and economic theory.

Fundamentals of International Trade

The opening chapters introduce the basic concepts of international trade, starting with classical theories such as absolute and comparative advantage. These theories provide a foundation for understanding why nations trade, the benefits of trade, and the gains from specialization. The concept of opportunity cost is also explored, highlighting the efficiency gains derived from trade.

Trade Policies and Barriers

Moving from theory to practice, we delve into the real-world applications of trade policies. This section examines the role of tariffs, quotas, subsidies, and other trade barriers, discussing their economic effects on global trade and the challenges they pose to international cooperation. The role of international organizations such as the World Trade Organization (WTO) is also examined, as well as the ongoing debates surrounding protectionism and free trade.

Globalization and the Changing Landscape of Trade

The rapid pace of globalization has transformed how goods, services, and capital flow across borders. This section explores the impact of globalization on trade patterns, the rise of global supply chains, and the increasing significance of services and digital trade. It also addresses the social, environmental, and economic implications of globalization, including issues such as income inequality and labor rights.

International Finance and Trade

No discussion of international trade would be complete without considering the role of finance. This section covers the mechanisms of foreign exchange markets, the balance of payments, exchange rate

policies, and the influence of international financial institutions such as the International Monetary Fund (IMF) and the World Bank. The interaction between trade and finance is explored in the context of currency fluctuations, capital flows, and debt crises.

Contemporary Issues and Future Directions

The final chapters address pressing issues in international trade, such as the rise of trade wars, regional trade agreements (RTAs), and the future of multilateral trade cooperation. Emerging challenges such as climate change, the digital economy, and the changing role of emerging markets are examined, offering insights into how international trade might evolve in the years to come.

Purpose and Audience

This book is intended for students, professionals, and anyone with a keen interest in the economic forces that shape the global marketplace. For students, it provides a clear and structured approach to learning international trade theory and its real-world applications. For professionals and policymakers, it offers a thorough understanding of the complexities of the global economy, with a focus on practical implications for trade policy, business strategy, and economic development.

Whether you are studying the economic implications of trade, crafting policy solutions, or simply trying to understand how trade impacts everyday life, this book serves as both a guide and a reference to navigate the ever-evolving world of international trade and economics.

Acknowledgments

The creation of this book would not have been possible without the support and insights of numerous scholars, practitioners, and students who have contributed to the field of international trade. Their work has provided the foundation upon which this text is built. We are grateful to the many colleagues who have reviewed the manuscript, provided valuable feedback, and contributed to its evolution. We also wish to acknowledge the institutions and organizations that have supported the

study of international economics and fostered collaboration among academics and practitioners worldwide.

In conclusion, International Trade and Economics is more than just a textbook—it is an exploration of the interconnectedness of the world's economies. It aims to spark critical thinking, stimulate debate, and offer the tools necessary to understand and navigate the complex web of international trade relations. As global economic trends continue to evolve, so too must our understanding of the forces that drive trade and shape our world. This book is a step in that direction, and we hope it will inspire readers to engage with and contribute to the dynamic field of international trade and economics.

Prof. Dr. Erdal DURSUN



Prof. Dr. Mohammad Ekram YAWAR

ekram.yawar@istu.edu.pl

<https://orcid.org/0000-0003-3198-5212>

Mohammad Ekram YAWAR, was born in 1986 to an intellectual family in Jawzjan province, Afghanistan. YAWAR completed his primary, secondary and high school education at İbni Yemin Şibirgani High School. After graduating from high school, he took the KANKOR exam to enter the university and won the Faculty of Medicine. Moreover, YAWAR's interest in politics also enabled him to win the Law Faculty of Mevlana Jalaludin Mohammad Balkhi University. Thus, he graduated from both Medicine and Law departments. He holds a master's degree in Public Administration and International Law from YAWAR. In 2024, He successfully completed her doctoral degree in Administrative Sciences, Department of International Relations from Akdeniz University and received the title of Doctor (PhD). YAWAR has been written and published more than 70 and academic articles, as well as several books.

He served for two terms as the chairman of the Afghanistan Turkmen Youth Council, for one term as the chairman of the Afghanistan Turkmen Solidarity Council and for one term as the chairman of the Afghanistan Intellectual Youth Council. YAWAR has held various positions in government. has served in various government departments in Afghanistan., and now he is the Dean of the Faculty of Law, International Science and Technology University, Warsaw, Poland.

YAWAR has attended national and international conferences in more than 20 Asian and European countries. On the other hand, he received letters of thanks and appreciation from the President of Afghanistan, the chief judge of Afghanistan, and different international organizations and social institutions.



Prof. Dr. Erdal DURSUN

rector@istu.edu.pl

<https://orcid.org/0000-0002-6255-1380>

Prof. Dr. Erdal DURSUN graduated from Çankaya University, Department of Electronics and Communication Engineering. He started his professional career at Bilkent University Technology Development Zone in 2008. In 2009, he received his master's degree in his field and in 2014 he received his doctorate degree. He carried out his post-doctoral studies at “Southern University Institute of Management Business and Law”.

Between 2009-2013, he served in public service as an Electronics Engineer and Technical Auditor at the Ministry of Transport and Infrastructure, Directorate General of Civil Aviation (DGCA), and received various operational trainings in Türkiye and abroad. He served as the Founding President of the Aviation Safety Institution (HEK) Association. As a result of the successful project studies he prepared before the Ministry, he was awarded an Official Certificate of Appreciation. He pioneered the capacity building, sectoral cooperation and global market access activities of various higher education institutions.

In 2013, he served as Rector's Advisor at University of Turkish Aeronautical Association (THK); in 2015, he was appointed as a faculty member and served as the Director of the Vocational School. Subsequently, he was appointed as Secretary General of Istanbul Rumeli University and then Secretary General of Istanbul Esenyurt University. In order to contribute to the visibility of the National Transport and Logistics Policies of the Republic of Türkiye, he worked as a writer and page manager in Türkiye Newspaper. He worked as General Manager at Expert Aviation Flight Academy and 27th Term



Member of Parliament's Adviser at the Grand National Assembly of Turkey (TBMM).

He carried out many institutional activities in Europe, Balkans, Turkic Republics and Arab Geography. In 2019, within the scope of the Turkish Academic and Scientific Cooperation Project (TABIP) under the auspices of the President of the Republic of Türkiye Recep Tayyip ERDOGAN, a cooperation protocol was signed between Yunus Emre Enstitüsü and the Institute of International Students (IOIS). In line with the "350,000 international students target" of the President of Türkiye Recep Tayyip ERDOGAN, Yunus Emre Enstitüsü carried out transnational visibility, awareness and recognition activities for higher education. He participated in many education programmes broadcast live on A Haber, CNN Türk, NTV, 24 TV, Bloomberg HT and Akit TV, guiding and mentoring young generations on their career journeys.

He performed expert witness and expertise duties in various public sector business processes, primarily in the Ministry of Justice. He took part in the legislation working groups of institutions. As a result of his orientation towards law, he completed the "justice" diploma programme at Anadolu University and obtained the title of "justice professional staff". Subsequently, he completed the "Legal Counselling" training at Fatih Sultan Mehmet Foundation University.

He was appointed as the President of the Executive Board of the Global Power Union (GPU), Vice President of the Flight and Ground Safety Inspection and Evaluation Board of the Turkish Air Sports Federation (THSF) of the Ministry of Youth and Sports, and Vice President of the Internationalisation and Development Foundation for Higher Education (YUGEV). On 14 May 2023, he became a candidate for Ankara 3rd Region Member of Parliament candidate in the 28th Term Member of Parliament General Elections.

As a result of the grading of 2 books, 6 book chapters, 12 scientific articles (9 international and 3 national) and 6 academic papers



according to international references and criteria, he was awarded the title of professor in 2023 and was appointed as the Founding Rector of the International Science and Technology University, whose activities were initiated to support the "Disabled and Disadvantaged Groups" policies of the United Nations and the Council of Europe.



Prof. Dr. Bakhtiyar NAJAFOV

bakhtiyar.najafov@istu.edu.pl
<https://orcid.org/0000-0002-3674-6790>

He was born on August 18, 1989, in Azerbaijan. After completing his undergraduate studies in Chemistry at Baku State University, he moved to Türkiye, where he earned a master's degree in Chemical Engineering from Gazi University. In 2022, he received an award in recognition of his scientific project proposals. He successfully completed the necessary scientific and academic studies to earn his doctoral degree.

He has worked as a researcher at Kaunas University of Technology in Lithuania and served as the External Stakeholders Coordinator and a lecturer at Istanbul Esenyurt University. During this time, he established institutional collaborations with global education consultancy organizations. Additionally, he served as Vice President of the Aviation Safety Institution (HEK) Association, a sectoral civil society organization in Türkiye.

Actively contributing to the internationalization of Turkish higher education, he has developed various innovative projects for international students. In this context, he played a key role in establishing, restructuring, and branding global education consultancy firms. He also served as the Director of International Relations at Ankara - OSTIM Technical University.

Currently, he holds the positions of Rector's Advisor and Director of the International Office at the International Science and Technology University, one of the world's leading and most



innovative fifth-generation multinational higher education institutions. Additionally, he serves as the President of the Association of Study Abroad Companies in Azerbaijan.

In the scope of his intensive scientific work, he contributed as a chapter author to the book *“The Silk Road: Historical, Economic, Political, Geographical, Social Perspective”* in 2025. In the same year, he completed and published two internationally indexed articles under the university's affiliation. For his exceptional professional, technical, and scientific achievements, he was awarded the title of “Professor of Practice” by the Scientific Council of EMIRMED International University.

In addition to his native Azerbaijani, he is fluent in Turkish and English. He is married and a father of two.



Lec. Abdul Jamil SHARIFY

<https://orcid.org/0009-0001-0727-6726>

jamil.sharify@istu.edu.pl

Abdul Jamil Sharify is an accomplished academic, researcher, and business professional with expertise spanning aviation, marketing, contract management, and organizational leadership. Holding a Master of Business Administration from Osmania University, India, and a Bachelor of Business Administration from Goa University, he has dedicated his career to advancing knowledge in business strategy, leadership, and economic policy.

Sharify is serving as Head of Department of Management Information Systems, International Science and Technology University. He has served as a lecturer at Maiwand University and Bayan University, where he has developed curricula, mentored students, and conducted research on management, leadership, and the impact of technology on organizational culture. His scholarly contributions include multiple publications in international peer-reviewed journals, covering topics such as transformational leadership, economic geography, and the intersection of technology and corporate governance.

In addition to his academic work, Sharify has an extensive professional background, having held leadership roles at Ariana Afghan Airlines, where he contributed to strategic planning, pricing, and operational efficiency. His expertise in aviation and business strategy has positioned him as a key figure in international corporate management.



Fluent in English, Turkish, Persian, Pashto, Hindi, and Urdu, he brings a global perspective to his research and teaching. Outside of academia, he is passionate about reading, photography, and traveling, constantly seeking inspiration from diverse cultures and intellectual traditions.