

The aim of this thesis is to analyze increasing returns to scale as one of the important reasons that can affect market structure and pattern of international trade. Analysis is focused on theoretical models describing increasing returns to scale and it is explained how these returns affect the pattern of international trade. First part of the thesis is devoted to internal economies of scale, intraindustry trade and dumping, including empirical part. Second part is devoted to the external economies of scale and pattern of international trade. Third part is about the multinational corporations – characteristic of MNC's and their structure and their role in modern world economy.