

M.A. Semester-IV
CC-10 Theory of International Trade
Effective from - 2017-18.

UNIT ONE:

THEORIES OF INTERNATIONAL TRADE: Basis and principles of International Trade - Absolute and comparative advantages of International Trade - basic assumptions and criticism - Refinements in the comparative costs theory : More than one country - Haberler's opportunity costs and the trade equilibrium under varying costs - J.S. Mill and the Theory of reciprocal demand - Heckscher Ohlin theorem and its superiority over Classical Theory - Demand reversal and Factor reversal Tests - Leontief Paradox - Stolper - Samuelson and Rybczynski theorem -

UNIT TWO

MEASUREMENT OF GAINS AND INTERVENTIONS: Factor determining the Gains from trade - Effects of Growth on Trade: Production and consumption effects of growth - on income distribution - Terms of trade - types - limitations - Factors affecting the terms of trade - ~~Terms of trade and economic development~~: Prebisch-Singer Hypothesis and secular deterioration in terms of trade - Free trade versus Protection : Case for - Tariffs: Meanings and types - Effects of tariff under partial equilibrium - Nominal, effective and optimum rates of tariff - Non tariff barriers - types

UNIT THREE

TRADE AND FINANCIAL INSTITUTIONS: Forms of Regional Economic Cooperation - Advantages and disadvantages - SAARC, European Union, Static and dynamic effects of customs Union- Advantages and Disadvantages of Customs Union- World Trade Organization: Structure and important agreements (TRIPS, TRIMS, GATS..) - UNCTAD - IMF - Role of IMF as Global Institution - Credit facilities to the Developing countries- IMF and poverty reduction strategies - and World Bank and its functions - International capital flows: Classifications and Factors affecting -

UNIT FOUR

TRADE POLICIES AND EXTERNAL SECTOR- INDIA : Review of Trade policies in India - Foreign Trade Policy 2015-2020 - ~~.....~~ Multinational company ~~.....~~
- Meaning and Components - Causes and measures to Correct Disequilibrium - Adjustment mechanisms: Automatic Price adjustment - Marshall Lerner Condition and the 'J' Effect Monetary Approach - Problem of India's External Debt

- 10 - Theory of International Trade *2/2/17, 20/10/2017 & Study (20/10/2017)*
- 11 - Indian Economic Policy
- 12 - Public Economics: Theory & Policy
- EC-04 - Industrial Economics (Labour Economics)
- IE-04 - Organized Market
- History of Economic Thought
 - Econometrics