

## Lesson Plan

M.A (Final) 3rd sem international trade and Finance

2024-25

August: Classical theory of International Trade - theories of absolute advantage, comparative advantage. Neo classical theory of International Trade (opportunity costs theory); modern theory of International Trade (Heckscher-Ohlin model). Empirical testing of theory of Heckscher-Ohlin.

September: Offer curve analysis; J.S. Mill's theory of reciprocal demand; factor price equalisation theorem; factor progress and Rybczynski theorem; Kravis and Linda theory of International Trade. Trade under imperfectly competitive markets conditions.

October: Measurement of gains from trade and their distribution; concepts of terms of trade, their uses and limitations; hypothesis of secularism deterioration of terms of trade, its empirical effects of relevance and policy implications for less developed countries; theory of interventions (Tariffs, quotas and Nontariff)- economic effects of tariffs (partial and general equilibrium analysis) tariff and Stolper solution theorem. Optimum rates of tariffs- their measurement and effective rate of protection.

November: Economic growth and international trade- production effect, consumption effect, the effects of growth on small countries; the effect of growth on large countries; technical progress and international trade; import substitution v/s export push; trade liberalization: need and objective; liberalization experience of developing countries with special reference to India.

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