

Department of Higher Education, Govt. of M.P.
Semester wise Syllabus for post graduation
As recommended by Central Board of Studies and
approved by HE the Governor of M.P.

M.A. Economics

MM – 50

Semester-II

Paper - IV International Economics

Objective: To provide the knowledge about International trade, Terms and conditions of the trade.

Unit – 1 Distinguishing features of Interregional and International trade; Differences and Similarities between inter-regional and international trade; Importance and Scope of International Trade. International division of labour and specialization; Smith's theory of Absolute Difference in costs; Ricardo's theory of comparative differences in costs and its application in underdeveloped countries.

Unit – 2 Mills' theory of Reciprocal Demand; Concept of Offer Curves; Explanation of Mills' concept of Reciprocal Demand with the help of Marshall's Offer Curves. International Trade Equilibrium; Some analytical tools- Offer curves Production Possibility Curves; the Community Indifference Curves; Equilibrium in Community Consumption and Output.

Unit – 3 Haberler's Theory of Opportunity Costs; International trade under constant, Increasing and decreasing opportunity costs. The Modern Theory of Factor Endowments; its explanation under price criterion and physical criterion; Theory's relevance today. Its superiority over the classical theory; Leontief Paradox

Unit – 4 International trade and factor prices, Samuelson's Factor Price Equalization Theorem. The Terms of Trade- Meaning and various concepts of Terms of Trade; Factors affecting the Terms of Trade; Terms of Trade and underdeveloped countries.

Unit – 5 Tariffs meaning and types;- Effects of tariff under partial and general equilibrium; Optimum tariff and welfare; Effects of tariff on income distribution The Stolper- Samuelson theorem, Dumping: Types, Objectives and effects of dumping; Current incidence of dumping in India and its impact on our economy; Anti-dumping measures.

Books Recommended

1. Bhagwati, J. (Ed.)- International Trade Selected Readings, Cambridge University Press, Massachusetts.
2. Carboough,- R. J..International Economics, International Thompson Publishing, New York.

3. Kenen, P.B. -The International Economy, Cambridge Univesity Press, London.
4. Kindleberger, C.P-International Economics, R.D.Irwin, Homewood
5. Soderston, B - International Economics, The Maemillian Press Ltd.,London.
6. Francis Cherunilam- International Economics
7. Francis Cheruriiam - International Business
8. D.M.Mithani -International Economics
9. H.G.Mannur -International EcononTJcs
10. Peter B.Kenen -The International Economy
11. PSubba Rao -International Business