Aspects of the Theory of Tariffs

by Harry G. Johnson
# Contents

<table>
<thead>
<tr>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Introduction ix</td>
</tr>
</tbody>
</table>

## I THE POSITIVE THEORY OF TARIFFS

1 International Trade, Income Distribution, the Offer Curve, and the Effects of Tariffs 3
   Appendix: An Alternative Derivation of the Transformation Curve and Income Distribution Function 41

2 A Generalized Theory of the Effects of Tariffs on the Terms of Trade (with Jagdish Bhagwati) 45

3 Tariffs and Economic Development: Some Theoretical Issues 84

## II TARIFFS AND DISTORTIONS

4 Optimal Trade Intervention in the Presence of Domestic Distortions 117

5 Factor Market Distortions and the Shape of the Transformation Curve 152

6 The Gain from Exploiting Monopoly or Monopsony Power in International Trade 168

7 Two notes on tariffs, distortions, and growth 177

## III THE COST OF PROTECTION

8 The Cost of Protection and the Scientific Tariff 187

9 The Costs of Protection and Self-Sufficiency 219

   Appendix: The Limits of Non-Discriminatory Reciprocal Tariff Reduction 279

## IV THE THEORY OF EFFECTIVE PROTECTION

11 The Theory of Content Protection 285

12 The Theory of Tariff Structure, with special reference to world trade and development 307