B.A. (Semester – V) Examination, October/November 2017
ECONOMICS (Paper – VII) (New Course)
International Trade and Finance – I

Duration : 2 Hours Total Marks : 80

Instructions : *i)* ***All*** *questions are* ***compulsory****. However* ***internal choice*** *is* ***available****.*
ii) Answer sub-questions in Question ***I*** *and Q.* ***II*** *in not more than* ***100*** *words* ***each****.*
iii) Answer Question ***III*** *to Question* ***VI*** *in not more than* ***400*** *words* ***each****.*
iv) Figures to the right indicates maximum marks to the question/ sub-question.
v) Draw diagrams ***wherever*** *necessary.*

I. Answer **any four** of the following : **(4×4=16)**

i) Briefly explain the concept of net barter terms of trade.

ii) What are the causes for deterioration of term of trade according to Prebisch Singer thesis ?

iii) What do you mean by Leontief paradox ?

iv) Briefly explain any two factor influencing terms of trade.

v) Explain the meaning of factor intensity reversal.

vi) What are the assumptions of factor endowment theory ?

II. Answer **any four** of the following : **(4×4=16)**

i) What are the objectives of import quotas ?

ii) Briefly explain the concept of international cartels.

iii) Explain the meaning of counter trade.

iv) Explain any two economic arguments in favour of protection.

v) Distinguish between single column tariff and double column tariff.

vi) Write short note on recent trends in growth of world merchandise exports.

III. A) Discuss theory of reciprocal demand of international trade. **12**

OR

B) Explain the distinguishing features of international trade. **12**

IV. A) Explain factor price equalization theorem of international trade. 12

OR

B) Discuss in detail trade based on product differentiation. 12

V. A) Explain with neat diagram partial equilibrium effects of a tariff. 12

OR

B) Examine the merits and demerits of free trade policy. 12

VI. A) Explain the recent trends in value and composition India's foreign trade. 12

OR

B) What are the factors contributing to globalization of international trade ? 12