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B.A. (Semester V)
EXAMINATION DECEMBER 2022
Economics
International Economics

[Duration : 2 Hours]

[Total Marks :80]

Instructions:

- 1) All questions are compulsory. However internal choice is available.
- 2) Answer sub-questions in Question I and Question II in not more than 100 words.
- 3) Answer question III to Question VI in not more than 400 words each.
- 4) Figures to the right indicate maximum marks to the question /sub questions.
- 5) Draw neat diagram wherever necessary

Q.I Answer any four of the following:

(4× 4 = 16)

- i. Define the term international trade and bring out any two of its characteristics.
- ii. Explain the major limitations of the theory of absolute cost advantage.
- iii. What is meant by gross barter terms of trade?
- iv. Give any two possible explanations of Leontief Paradox.
- v. Highlight the main idea underlying intra-industry trade.
- vi. Summarise the Technological Gap model of international trade.

Q.II Answer any four of the following:

(4× 4 = 16)

- i. Why do nations adopt a free trade policy? Explain with the help of any two points.
- ii. What is meant by Exchange Controls?
- iii. Write a note on counter trade.
- iv. How does an international cartel work?
- v. Define dumping and explain any one of its forms.
- vi. Examine the negative impact of globalisation with the help of any two points.

Q.III A) Explain the theory of Comparative Advantage under opportunity cost approach.

(12)

OR

B) Discuss the factors influencing terms of trade.

(12)

Q.IV A) How does international trade result in relative equalization of factor prices? Describe with an illustration.

(12)

OR

B) Explain the Stolper- Samuelson theorem.

(12)

Q.V A) Define a tariff, show any four effects of a tariff under partial equilibrium approach.

(12)

OR

B) In what respects is an import quota similar to a tariff? Explain any three types of import quotas.

(12)

Paper / Subject Code: ECD109_ECC109 / ECONOMICS - INTERNATIONAL ECONOMICS

ECD 109/ECC 109

- Q.VI A) Analyze the trends in the composition of India's foreign trade in the post 1991 period. (12)
- OR
- B) What is globalisation? What are the factors contributing towards globalisation of trade.? (12)