

PART - C

Short Easy Type Questions. Write any four questions. Each answer should not exceed two and half a page.

30. Explain origin trade multiplier.
31. Explain Ricardian theory of unequal exchange.
32. Distinguish between absolute and comparative cost advantage theory.
33. What is factor endowment theory of international trade? Explain.
34. Describe the empirical testing experience of Heckscher-Ohlin theorem.
35. Discuss the inter-relationship between foreign trade and economic development.

(4x5=20)

PART - D

Answer any two questions. Each answer should not exceed six pages.

36. Critically examine inward and outward orientation strategies of international trade.
37. Explain the features and implications of Krugman Model.
38. Explain the theory of diminishing growth.
39. Distinguish the merits and demerits of tariff and non-tariff barriers.

(2x10=20)



Reg. No. :

Name :



K17P 1372

Third Semester M.A. Degree (Reg./Supple./Improve.)

Examination, November 2017

(2014 Admn. Onwards)

Economics/App. Economics

ECO3C11 : INTERNATIONAL ECONOMICS – 1

Time : 3 Hours

Max. Marks : 60

PART – A

Objective Type Questions. Write **all** the **eight** questions. **Each** question carries $1/2$ marks.

1. A rule stating the elasticity conditions under which a change in a country's exchange rate would improve its balance of trade

A) Scitovsky Criteria	B) Marshall-Lerner Criteria
C) Inverse Elasticity rule	D) Gresham's rule
2. Health and safety regulations on trade is

A) Tariff barriers	B) Non-Tariff barriers
C) Free-Trade measure	D) MFA
3. Factors intensity reversal may happen due to

A) Change in government policy	B) Change in technology
C) Change in any factor availability	D) All the above
4. The form of economic integration in which the member nations eliminate tariffs on trade adopt a common external tariff and allow free movement of labour and capital within the Union is

A) Economic union	B) Common market
C) Customs union	D) Free-trade area

P.T.O.



5. The technological gap model represents an extension of the H-O model because the H-O model
- A) Viewed technology dynamic B) Did not consider technology
C) Viewed technology static D) Any of the above
6. An increase in the relative price of a commodity raises the return of the factor used intensively in the production of the commodity is an argument of
- A) Stolper Samuelson Theory B) Immiserizing Theory
C) Rybezynski Theory D) H-O Theory
7. The following concept is not related to classical economics
- A) Wage-price flexibility B) Laissez Faire
C) Full employment D) Interest rate rigidity
8. The Current Account of Balance of Payments does not include
- A) Trade in goods B) Factor Remittances
C) Income on Investments D) Loans received **(8×1/2=4)**

PART – B

Short Answer Type Questions. Write **any eight** questions. **Each** question carries **2** marks.

9. Explain the concept of Optimum Tariffs.
10. What is Dumping ?
11. What is Non-Tariff barrier ?
12. Explain the concept of Free Trade.
13. What do you meant by Trade Deficit ?
14. Narrate Absolute Cost Advantage principle in international trade.
15. What is Opportunity Cost Theory ?
16. What is Foreign Direct Investment (FDI) ?
17. Distinguish between Devaluation and Depreciation of currency.
18. Describe the features of Export-led growth.
19. Explain Offer curve analysis. **(8×2=16)**



PART – C

Short Essay Type Questions. Write **any four** questions. **Each** answer should **not** exceed **two and half a** page.

20. Explain Foreign trade multiplier.
21. Explain Emmanuel's theory of unequal exchange.
22. Distinguish between absolute and comparative cost advantage theory.
23. What is factor endowment theory of international trade ? Explain.
24. Describe the empirical testing experience of Heckscher-Ohlin theorem.
25. Discuss the inter-relationship between foreign trade and economic development. **(4×5=20)**

PART – D

Answer **any two** questions. **Each** answer should **not** exceed **six** pages.

26. Critically examine inward and outward orientation strategies of international trade.
27. Explain the features and implications of Krugman Model.
28. Explain the theory of immiserising growth.
29. Distinguish the merits and demerits of tariff and non-tariff barriers. **(2×10=20)**