

**23P325**

(Pages: 2)

Name: .....

Reg. No: .....

**THIRD SEMESTER M.A. DEGREE EXAMINATION, NOVEMBER 2024**

(CBCSS - PG)

(Regular/Supplementary/Improvement)

**CC19P ECO3 C09 – INTERNATIONAL TRADE**

(Economics)

(2019 Admission onwards)

Time: 3 Hours

Maximum: 30 Weightage

**Part A**

Answer *all* questions. Each question carries 1/5 weightage.

1. Domestic companies limit its operations for ..... political boundaries  
(a) International      (b) National      (c) Transitional      (d) Global
2. Which sector propel the economy into prosperity?  
(a) Import sector      (b) Export sector      (c) Both a & b      (d) None of these
3. Transmission of new ideas happens through .....  
(a) Development      (b) Growth      (c) Trade      (d) None of these
4. Second stage of Product cycle deals with .....  
(a) Introduction      (b) Growth      (c) Maturity      (d) None of these
5. Output grows proportionately more than input is a case of  
(a) Increasing Returns to Scale      (b) Constant Returns to Scale  
(c) Diminishing Returns to Scale      (d) None of these
6. The value of intra industry trade index range between .....  
(a) 0-1      (b) 1- $\alpha$       (c) Either a or b      (d) None of these
7. If productivity of labor and capital grows proportionately, then the growth is:  
(a) Balanced      (b) Unbalanced      (c) Either a or b      (d) None of these
8. If the consumption of exportable is greater than importable, then consumption is:  
(a) Pro trade      (b) Anti trade      (c) Ultra Pro trade      (d) Ultra anti trade
9. Which among the following is not supported by empirical evidence?  
(a) Prebisch Singer thesis      (b) Immiserising growth  
(c) Dutch disease      (d) None of these
10. Why developing nations feels the difficulty in establishing export oriented industries?  
(a) Competition from developed nations      (b) Lack of raw materials  
(c) Lack of technological expertise      (d) None of these
11. Tariff can be applied in which sector.  
(a) Export      (b) Import      (c) Both a & b      (d) None of these
12. VER is otherwise known as  
(a) Orderly marketing arrangement      (b) Orderly selling arrangement  
(c) Orderly Consuming arrangement      (d) All of these
13. Trade creation will occur if there is a ..... of tariff  
(a) Increase      (b) Reduce      (c) Either a or b      (d) All of these

14. NAFTA is an example of .....
- (a) Free Trade Area (b) Preferential Trading arrangement  
(c) Common Market (d) Customs Union
15. Headquarters of ASEAN located at
- (a) Geneva (b) Jakarta (c) Kathmandu (d) None of these
- (15 × 1/5 = 3 Weightage)**

**Part B (Very Short Answer Questions)**

Answer any *five* questions. Each question carries 1 weightage.

16. Trade is considered as an antimonopoly weapon on what grounds?
17. Define Product Cycle.
18. What is Increasing Returns to Scale?
19. What is pro-trade in consumption?
20. Define Export Orientation.
21. Define optimum tariff.
22. What is import quota?
23. What is PTA?

**(5 × 1 = 5 Weightage)**

**Part C (Short Answer Questions)**

Answer any *seven* questions. Each question carries 2 weightage.

24. Explain the relationship between trade theory and development.
25. Infer trade as an engine of growth.
26. Write a note on factor abundance.
27. Write a note on Stolper Samuelson theorem.
28. Explain the formal model of intra industry trade
29. Write a note on transportation cost and trade.
30. What is dutch disease?
31. Criticize Prebisch Singer Thesis.
32. Write a note on trade diverting customs union.
33. Write a note on SAFTA.

**(7 × 2 = 14 Weightage)**

**Part D (Essay questions)**

Answer any *two* questions. Each question carries 4 weightage.

34. Critically evaluate various terms of trade.
35. Explain the importance of offer curve and derive the offer curves of various nations.
36. Explain the effects of growth on trade.
37. What are the merits and demerits of quota?

**(2 × 4 = 8 Weightage)**

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