

Reg. No

Name

M. A. DEGREE END SEMESTER EXAMINATION - OCTOBER 2019**SEMESTER 3 : ECONOMICS****COURSE : 16P3ECOT11 : INTERNATIONAL TRADE - THEORY AND POLICY***(For Regular - 2018 Admission and Supplementary - 2016/2017 Admissions)*

Time : Three Hours

Max. Marks: 75

Section A**Answer any 8 (2 marks each)**

1. What is meant by factor-intensity reversal?
2. Terms of Trade.
3. What is the most important implication of Linder's Model?
4. Calculate the intra-industry trade index (T) if exports are 1000 and imports are 500.
5. Dynamic external economies.
6. Ultra anti-trade production effect
7. Protective tariff.
8. Compound duty.
9. Distinguish between tariff and quota.
10. Free Trade Area
11. Common market.
12. Free economic zone.

(2 x 8 = 16)

Section B**Answer any 7 (5 marks each)**

13. What is meant by Leontief-paradox?
14. Why would the prevalence of factor intensity reversal lead to the rejection of factor-price equalization theorem?
15. What is the relationship between intra-industry trade and economies of scale?
16. Does Neo Hecksher Ohlin Model repudiate traditional theories of international trade?
17. Explain Rybczynski theorem.
18. Classify effects of growth on trade.
19. Discuss the Metzler paradox.
20. Explain the Effective Rate of Protection with examples.
21. What are the different forms of economic integration? Explain.
22. Is the Theory of Second Best relevant to Customs Union?

(5 x 7 = 35)

Section C**Answer any 2 (12 marks each)**

23. How can trade lead to absolute and relative factor price equalization?
24. Explain in detail on the bias in production and consumption as the effect of growth on trade.
25. What is non-tariff barriers of trade? Discuss in details the various non-tariff barriers?
26. Explain about the objectives, functioning and shortcomings of ASEAN?

(12 x 2 = 24)