

**M A DEGREE END SEMESTER EXAMINATION OCTOBER 2016**  
**SEMESTER - 3: ECONOMICS**

**COURSE: P3ECOT11 - INTERNATIONAL TRADE THEORY & POLICY**

Common for Regular (2015 Admission) & Supplementary / Improvement (2014 Admission)

Time: Three Hours

Max. Marks: 75

**Part A**

(Answer **any Eight** of the following in three or four sentences. Each question carries **two** marks.)

1. Absolute cost advantage theory.
2. Optimum tariff.
3. Leontief paradox.
4. Capital saving.
5. Non tariff barriers.
6. Technology gap.
7. Free trade .
8. SAARC.
9. European union.
10. Labour saving.
11. Partial equilibrium.
12. Immiserising growth.

(2 x 8 = 16)

**Part B (Short essay)**

(Answer **any seven** of the following.  
Each questions carries **Five** marks.)

13. Explain Stolper – Samuelson theorem.
14. Free trade and protection.
15. Classification of technical progress and shift of PPC.
16. Product life cycle theory.
17. Rybczynski theorem.
18. Explain the Linder theory of trade.
19. Explain the major effects of quota.
20. How ad valorem tariff differs from specific tariff.
21. What is comparative advantage.
22. What are Voluntary Export Restraints.

(5 x 7 = 35)

**Part C (Long essays)**

(Write long essays on any **two** of the following. Each question carries **twelve** marks)

23. Explain the technology gap and product life cycle theories of trade
24. Discuss the role Economic integration among developing country

25. Explain Intra industry trade and its impact on developing economy  
26. Critically examine the H O theorem (12 x 2 = 24)

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