

M. A. DEGREE END SEMESTER EXAMINATION - OCTOBER 2025
SEMESTER 3 : ECONOMICS
COURSE : 24P3ECOT11 : INTERNATIONAL TRADE THEORY AND POLICY
(For Regular - 2024 Admission)

Time : Three Hours

Max. Weights: 30

PART A**Answer any 8 questions****Weight: 1**

1. Why a firm becomes multi-national according to Product Life Cycle theory? (U)
 2. What is meant by BREXIT? (U)
 3. What is meant by terms of trade effect of economic growth? (U)
 4. Is neutral growth in consumption and production a necessary condition for neutral growth in trade? (A)
 5. Define trade diversion. (U)
 6. What is dynamic comparative advantage? (U)
 7. Define physical abundance (R)
 8. Explain trade policy of Mercantilists. (U)
 9. What is an offer curve? (U)
 10. What is the role of government in Porter's diamond model? (U)
- (1 x 8 = 8)**

PART B**Answer any 6 questions****Weights: 2**

11. Explain the gravity model of trade. (U)
 12. Evaluate the effects of an export subsidy (E)
 13. How do the mercantilist's views on trade differ from those of Adam Smith? (U)
 14. Describe Prebisch Singer Thesis. (U)
 15. Give explanations for Leontief paradox (U)
 16. Explain Reciprocal Dumping Model. (U)
 17. Explain the concept of effective rate of protection (U)
 18. Write a note on Dynamic effects of Customs Union. (U)
- (2 x 6 = 12)**

PART C**Answer any 2 questions****Weights: 5**

19. Evaluate the role of WTO in the global economy (E)
 20. Explain the Neo- Hotelling model of trade. (U)
 21. Demonstrate the traditional approach to factor price equalization (A)
 22. Demonstrate the determination of international terms of trade using Mill's reciprocal demand theory (A)
- (5 x 2 = 10)**

OBE: Questions to Course Outcome Mapping

CO	Course Outcome Description	CL	Questions	Total Wt.
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Cognitive Level (CL): Cr - CREATE; E - EVALUATE; An - ANALYZE; A - APPLY; U - UNDERSTAND; R - REMEMBER;