CM – 25

B.A. (Semester – V) Examination, April/May 2019
ECONOMICS (Paper – VII)
International Trade and Finance – I

uration : 2 Hours

Total Marks : 80

Instructions : *i)* ***All*** *questions are* ***compulsory****. However internal choice is available.*

ii) Answer sub-questions in question ***I*** *and question* ***II*** *in* ***not*** *more than* ***100*** *words* ***each****.*

iii) Answer question ***III*** *to question* ***VI*** *in* ***not*** *more than* ***400*** *words* ***each****.*

iv) Figures to the right indicate maximum marks to the question/ sub-questions.

v) Draw diagrams ***wherever*** *necessary.*

. Answer **any four** of the following. **(4×4=16)**

i) What do you mean by offer curves ? Explain in brief.

ii) State any four features of international trade.

iii) Write a brief note on Prebisch-Singer thesis.

iv) State factor price equalisation theorem.

v) Examine the trade theory based on differences in tastes.

vi) Explain the Rybczynski theorem.

. Answer **any four** of the following. **(4×4=16)**

i) Define specific duties and Ad-valorem duties.

ii) Explain in brief two disadvantages of free trade.

iii) What is dumping ? Explain.

iv) Write a note on two significant trends in world trade in services.

v) Explain any two factors contributing towards globalization.

vi) Write a note on direction of India's exports in post 1991 period.

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III. A) State and explain the Opportunity cost theory with a suitable diagram. 1

OR

B) Define terms of trade and explain the concepts of gross barter, net barter and income terms of trade. 1

IV. A) Critically evaluate Heckscher-Ohlin theorem of International trade. 1

OR

B) Briefly explain the following modern theories of International trade. 1

a) Technological gaps model

b) Product life cycle theory.

V. A) Explain the economic arguments in favour of a protectionist policy. 1

OR

B) Explain any four forms of Non-Tariff Barriers (NTBs) as protective devices. 1

VI. A) Explain the impact of globalisation with special reference to India. 1

OR

B) Examine the changes that have taken place in India's foreign trade since 1991. 1

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