

END OF SEMESTER EXAMINATIONS, NOVEMBER - 2018
FOREIGN TRADE: THEORY AND MANAGEMENT
SUBJECT CODE: 14P3EC10

MAJOR: M.A. ECONOMICS
TIME : 3 HOURS

SEMESTER : III
MAX. MARKS: 70

SECTION – A (5 X 4 = 20)

Answer ALL the Questions:

1. a) List out the Assumptions of David Ricardo's Theory of comparative cost Advantage.

(OR)

- b) Write a note on: i) Net Barter Terms of Trade ii) Gross Barter Terms of Trade.

2. a) Write about the Mint Parity Theory.

(OR)

- b) Distinguish between Spot and Forward Exchange Market.

3. a) Bring out any Five Arguments in support of Free Trade.

(OR)

- b) Explain the concept i) Tariff ii) Quotas.

4. a) Define: i) Letter of Credit. ii) EXIM Policy.

(OR)

- b) Briefly identify the Export Promotion measures made by Government of India.

5. a) Point out the major functions of International Monetary Fund.

(OR)

- b) What are major issues to be discussed in North-South Dialogue?

SECTION – B (5 X 10 = 50)

Answer ALL the Questions:

6. a) Critically Examine the Eli Heckscher and Bertil Ohlin Theory of International Trade.

(OR)

- b) Bring out the Gains from International Trade.

7. a) Illustrate the Purchasing Power Parity - Theory of Exchange rate.

(OR)

- b) Explain the Merits and Demerits of Flexible Exchange Rate.

8. a) Describe the various methods of correcting Disequilibrium in the Balance of Payments.

(OR)

- b) Discuss the Advantages and Disadvantages of Policy of Protection.

9. a) Bring out the Procedures and Documents involved in Export Business.

(OR)

- b) Examine Policies and Guarantees issued by Export Credit Guarantee Corporation of India.

10. a) Evaluate the Functions and Trade Agreements of World Trade Organisation (WTO).

(OR)

- b) "The Multinational Corporations have become a very powerful Force in the World Economy".

Discuss.
