2017

INTERNATIONAL TRADE

Paper : 5·5

(Finance Major)

Full Marks – 80

Time – Three hours

The figures in the margin indicate full marks
for the questions.

(A) Select the most appropriate answer from the
choices given against each question :

$1 \times 5 = 5$

(i) The theory of comparative cost advantage was developed by :

(a) Adam Smith

(b) David Ricardo

(c) Haberler

(d) Bertil Ohlin.

[Turn over

(ii) The reciprocal demand for home country's product is strong when its :

    (a) price elasticity of demand in home country is low.

    (b) price elasticity of demand in home country is high.

    (c) price elasticity of demand in foreign country is high.

    (d) price elasticity of demand in foreign country is low.

(iii) Free trade assumes :

    (a) maximisation of world output

    (b) enlargement of market

    (c) optimum use of resources

    (d) All of the above.

(iv) Import tariffs are imposed :

    (a) for reducing imports

    (b) for increasing imports

    (c) for reducing exports

    (d) for increasing exports.

(v) A company of UK ha
does not want to sell
because it will bring d
and instead sells it at a
the cost of production.

    (a) Countervailing

    (b) Export trade

    (c) International trad

    (d) Dumping.

(B) Answer the following

    (i) Write the full f

    (ii) What is 'Duty E

    (iii) Define 'Marine

    (iv) What is 'Tradin

    (v) State the mean
        international tra

2. Answer the following
words each :

    (a) What is meant by r

    (b) Give the assumption
        model.

(c) Explain briefly gross barter terms of trade.

(d) Point out the defects of free trade.

(e) What is the purpose of 'Most favoured nation' clause of GATT ?

3. Answer any *four* of the following in about 150 words each : 5×4=20

 (a) What are the functions of ASEAN ?

 (b) Write the objectives of Asian Development Bank.

 (c) Write a note on Clearing and Forwarding agents.

 (d) Discuss the provisions of FEMA in connection with foreign exchange.

 (e) What are the salient features of EXIM policy ?

 (f) Write a note on OPEC, 1960.

4. Answer the following in about 600 words each :
    10×4=40

 (a) Discuss the H. O. model of international trade and its limitation. 6+4=10

Or

 Define the concept of International Trade. Also explain the salient features of International Trade. 4+6=10

(b) What are the vari
foreign trade transa

Or

Discuss the various
the clearence of go

(c) What is Forex Mark
of International Fo

Or

Explain the Balan
exchange rate. In v
the Purchasing po

(d) What are the highli
made after liberali
implications.

O

Explain the functio
it has been able
development of le

7/4(Sem-5) INTR (4) 5000(Y)

7/4(Sem-5) INTR