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B.A. RNLKWC-/CC11/23

2023

**ECONOMICS**

**B.A. 5th Semester Examination - 2023**

**PAPER - CCH**

**(International Trade)**

*Full Marks : 60*

*Time - 3 hours*

*The figures in the right-hands margin indicate marks.*

*Candidates are required to give their answers in their own words as far as practicable.*

*Illustrate the answers wherever necessary.*

**Group - A**

- 1 Answer any ten question of the following :  $10 \times 2 = 20$
- a) What do you mean by arbitrage ?
  - b) What do you mean by intra industry trade
  - c) What do you mean by community indifference curves ?

*(Turn Over)*

What is comparative advantage ?

Distinguish between 'internal trade' & 'international trade' in brief.

Define the concept of Terms of Trade ?

What is meant by 'International liquidity' ?

What do you mean by carbon trading ?

What do you mean by 'factor intensity reversal' ?

Distinguish between BOT and BOP.

What do you mean by protective tariff?

Write down the objectives of quota in International trade.

Distinguish between devaluation & depreciation of currency.

What do you mean by complete specialisation in trade.

What is 'J' curve effect ?

### Group - B

Answer any four questions of the following :  $5 \times 4 = 20$

Write a short note on Leontief Paradox. 5

Explain the statement : "Free trade is better than no trade".

What is Trade Indifference curve ? Write down the properties of Trade Indifference curves. 5

5. Derive the standard formulae for optimum tariff. 5
6. How do you define and derive an offer curve ? Explain with diagram.
7. Distinguish between autonomous & accomodating transactions in the BOP. 5
8. State and prove the 'factor - price equalization' theorem.

### Group - C

Answer any two of the following question :  $2 \times 10 = 20$

9. Explain the Heckscher-Ohlin model of international trade. What do you mean by Price definition of factor abundance ?  $8 + 2$
10. Show the effect of tariff on a small country in partial equilibrium framework. What happens when country becomes large ?  $8 + 2$
11. Show the devaluation helps to improve the Bop situation in Absorption approach. How far is it considered as an improvement over the elasticity approach ?
12. Define trade triangle. Signify the implications of all three sides of a trade triangle.  $2 + 8$