

TM243657Z

Reg. No :

Name :

MASTER'S DEGREE (C.S.S) EXAMINATION, NOVEMBER 2024

2023 ADMISSIONS REGULAR

SEMESTER III - CORE COURSE ECONOMICS

EC3C11TM20 - International Economics

Time : 3 Hours

Maximum Weight : 30

Part A

I. Answer any Eight questions. Each question carries 1 weight

(8x1=8)

1. How is absolute advantage theory different from comparative advantage theory?
2. Explain opportunity cost theory of international trade.
3. State any two assumptions of H-O theorem.
4. Which observation led to development of Leontief paradox?
5. Comment on H-O-S theorem.
6. Intra-industry trade theories supplement traditional trade theories. Comment.
7. State the product availability hypothesis of Kravis.
8. Discuss the stage of 'maturing product' in PLCM.
9. What is India's role in ASEAN?
10. Write a note on effects of Tariffs.

Part B

II. Answer any Six questions. Each question carries 2 weight

(6x2=12)

11. Analyse the superiority of comparative advantage theory over absolute advantage theory.
12. How are offer curves derived?
13. Explain neutral, labor-saving, and capital-saving technical progress. Illustrate using diagrams.
14. Elaborate the meaning of the assumptions made to illustrate Heckscher-Ohlin theorem.
15. Diagrammatically illustrate product life cycle theory.
16. How does gravity model explain international trade?
17. Discuss the 'Trade Facilitation Agreement'.
18. How do you relate theory of Second best to theory of Customs union?

Part C

III. Answer any Two questions. Each question carries 5 weight

(2x5=10)

19. Comparative cost theory is an advancement over Smith's Absolute cost theory. Comment.
20. What does Heckscher-Ohlin theory postulate? How do factor prices get equalised through international mobility of factors?
21. How can international trade take place according to the technological gap model? What are the various stages in a product life cycle?
22. What are the arguments for protection and free trade?