

IMBA ITF Sem.-1 Examination
DSC-C-ITF-111
International Trade & Fin
January-2024

Time : 2-00 Hours]

[Max. Marks : 50

Section A

- Select the correct answer from the following options are given:

10

1. What occurs once imported products are more than exported goods
 - a. Trade deficit
 - b. Trade barrier
 - c. Trade surplus
 - d. None.
2. Dumping word refers to ?
 - a. Tariff should be cut to make more money
 - b. A lower priced sale of goods abroad is below the cost and price of their home market
 - c. Buying goods at low prices in another country and selling them at a higher price here
 - d. Expensive goods are being sold at lower prices
3. Domestic trade and international trade differ because of
 - a. Trade restrictions
 - b. Immobility of factors
 - c. Different government policies
 - d. All of the above
4. Endogenous theory is not driven by external forces like
 - a. Human capital
 - b. Physical Investment
 - c. Knowledge
 - d. All of the above
5. The idea of absolute advantage was developed by Scottish economist _____
 - a. Adam Smith
 - b. David Ricardo
 - c. Milton Friedman
 - d. C & B both
6. The modern theory of trade also known as _____ theory
 - a. The experts theory
 - b. Free trade theory
 - c. Heckscher and Ohlin theory
 - d. Ronald Jones theory
7. The factor endowment theory was developed between _____
 - a. 1912 and 1923
 - b. 1916 and 1932
 - c. 1947 and 1997
 - d. 1919 and 1933
8. Government strategy regarding exporters and importers is called
 - a. Commercial policy

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- b. Monetary policy
 - c. Fiscal policy
 - d. Finance policy
9. First mover advantage theory is related to
- a. Absolute advantage theory
 - b. Comparative advantage theory
 - c. New trade theory
 - d. Modern theory of trade
10. Countries with abundant of capital should focus on
- a. Labour intensive goods
 - b. Capital intensive goods
 - c. Distribute between labour and capital intensive goods
 - d. Importing more machinery

Section B

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Describe Absolute advantage theory of Adam Smith

Section c

Write assumptions and criticism of Comparative advantage theory for international trade given by David Ricardo

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Section D

Explain international trade as an engine of growth of economic and write its static and dynamic Gains from trade

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Section E

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What is endogenous theory for international trade? describe its assumptions

← X →