QP Code: D153304	Total Pages: 1	Name:
		Register No.

FIFTH SEMESTER (CUFYUGP) DEGREE EXAMINATION, NOVEMBER 2026

Economics/Development Economics/Econometrics and Data Management/ Economics with Foreign Trade/Economics with Islamic Finance

ECO5CJ302 International Trade Theories

2024 Admission onwards

Maximum Time :2 Hours | **Maximum Marks :70**

Section A

All Questions can be answered. Each Question carries 3 marks (Ceiling : 24 Marks)

1	Define international trade.
2	What is meant by terms of trade?
3	What is free trade?
4	Define balance of payments.
5	What do you mean by foreign exchange?
6	What is meant by mercantilism?
7	Define absolute cost advantage.
8	What is the Heckscher–Ohlin Theorem?
9	What do you understand by the Product Cycle Model?
10	Define intra-industry trade.

Section B

All Questions can be answered. Each Question carries 6 marks (Ceiling : 36 Marks)

11	Explain the scope and importance of international trade.
12	Discuss the gains from trade.
13	Describe the Production Possibility Frontier in international trade.
14	Explain the Trade Indifference Curve.
15	Examine the role of tariffs in international trade.
16	Explain the Comparative Advantage Theory.
17	Describe the Opportunity Cost Theory of international trade.
18	Discuss the Leontief Paradox.

Section C

Answer any ONE .Each Question carries 10 marks (1x10=10 Marks)

19	Explain the Reciprocal Demand Theory. Analyse its significance in determining the terms of trade.
20	Explain the Kravis Theory of Availability. Examine its significance in explaining trade patterns.