Time:3hrs   Marks: 100

N.B.
1. All questions are compulsory.
2. Figures to the right indicate full marks.
3. Draw neat Diagrams wherever necessary.

Q.1. Answer any two of the following.   (20Marks)
   a) Explain the meaning, scope and importance of international trade.
   b) Discuss the Smith's theory absolute cost difference
   c) Describe the Heckscher Ohlin theory.

Q.2. Answer any two of the following.   (20 Marks)
   a) What are the different methods to measures the terms of trade.
   b) Explain the meaning and componant of balance of payment
   c) Discuss the various gains from International trade.

Q.3. Answer any two of the following.   (20 Marks)
   a) Explain the determination of foreign exchange rate with demand and supply.
   b) Analyse the case for the foreign free trade
   c) Discuss the meaning and operation of managed flexible exchange rate.

Q.4. Answer any two of the following.   (20 Marks)
   a) Discuss the advantages and disadvantages of MNCs
   b) What are the three core functions of IMF
   c) Explain the funtions WTO

Q.5. Write a Short note on any two.   (20 Marks)
   a) Leontief Paradox
   b) SWAP Market
   c) Case for free trade
   d) Write a note on SAARC

                                            Or

Q.5. Multiple choice question, Select an appropriate option   (20 Marks)
   1) Who proclaimed trade is an 'engine of growth'?
      a) D.H. Robertson
      b) Alfred Marshall
      c) Adam Smith
      d) J.S. Mill

   2) Which of the following is not positive impact of International trade?
      a) Innovation
      b) Widen Market
      c) Optimization of Production
      d) Pollution

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3) Direction of trade indicates.......
   a) Trading partners in export and import
   b) Trading partners in goods and services
   c) Trading amount
   d) Terms of Trade

4) World trade is mostly dominated by......
   a) Developing countries
   b) Developed countries
   c) South Asian Countries
   d) Under developed countries

5) Who explained the concepts of 'absolute cost difference'?
   a) Adam Smith
   b) David Ricardo
   c) Harrod- Domar
   d) Karl Marks

6) Which are the factors of production assumed in the H-O theory?
   a) Labour and Capital
   b) Land and entrepreneur
   c) Capital and Land
   d) Labour and Land

7) Which of the following factor does not influence on reciprocal demand?
   a) Population
   b) Income
   c) Size of Country
   d) Absence of trade

8) Reciprocal demand is expressed in graphical terms through...........
   a) Offer curves
   b) Production possibility frontier
   c) Demand curve
   d) Supply curve

9) Equilibrium terms of trade means..............
   a) Terms of trade at which export and import is equal
   b) The ratio between export prices to import prices
   c) Terms of trade at which price is equal
   d) Terms of trade at which there is no trade

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10) Purchasing power theory is developed by————
   a) Gustav cassel
   b) Heckscher Ohlin
   c) Leontief
   d) Ricardo

11) ———— Currency is universally accepted
   a) Fiat
   b) Vehicle
   c) Hard
   d) Reserve

12) Many IMF members opted Managed flexible exchange rate system from
   a) 1973
   b) 1990
   c) 2000
   d) 2008

13) Foreign Direct Investment referes to
   a) Loan from IMF
   b) Grants from World bank
   c) Investment by MNCs
   d) Domestic Investment

14) IMF was established in ————
   a) 1991
   b) 1944
   c) 1996
   d) 2000

15) Brettonwood Conference resulted in the formation of two institutions
   a) IMF and IDA
   b) IMF and IFC
   c) IFC and IBRD
   d) IMF and IBRD

16) Which of the following crisis is not assisted by IMF
   a) Balance of Payment crisis
   b) Financial Crisis
   c) Fiscal crisis
   d) Natural disaster

17) WTO markes its 25th anniversary in ————
   a) 2016
   b) 2018
   c) 2020
   d) 2019

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18) WTO was established on——
   a) 1st Jan 1991
   b) 1st jan 1995
   c) 1st jan 1998
   d) 1st Jan 2000

19) Intellectual property rights means
   a) Legal right of intellectual activity
   b) Legal rights of trade
   c) Legal rights to companies
   d) Legal rights to get education

20) SAARC was founded at ——————
   a) Kathmandu
   b) Delhi
   c) Dhaka
   d) karachi

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