DEPARTMENT OF MANAGEMENT
School of Management & Business Studies
JAMIA HAMDARD

EVEN Semester Examination June 2022

MBA IV Semester

Subject Name: International Trade | **MM: 75**
Subject Code: MBA-GE-IB-09 | **Time: 03Hours**

Attempt any five questions. Each question carries 15 marks.

Q1. Discuss the current international trade trends underlining the factors inhibiting/promoting international trade amongst the trading countries.

Q2. State the assumptions of the Heckscher-Ohlin theory. What does the Heckscher-Ohlin theory postulate? Which force do Heckscher and Ohlin identify as the basic determinant of comparative advantage and trade?

Q3.What does the factor-price equalization theorem postulate? What is its relationship to the international mobility of factors of production?

Q4. What is meant by the Leontief paradox? What are some possible explanations of the paradox? How can human capital contribute to the explanation of the paradox?

Q5. Country A is labour abundant and practices unrestricted trade with the rest of the world. The country's new minister for trade proposes an import tariff, claiming that such a policy would raise wages relative to the return to capital. Do you agree? Why, or why not?

Q6. What are the motives for the international migration of workers? What is the effect of labour migration on real wages, total output, and relative share of national income going to labour in the nation of emigration and the nation of immigration?

Q7. Discuss
a) Effect of Trade on the Distribution of Income: The Specific-Factors Model
b) Stopler-Samuelson Theorem

Q8. Explain why nations impose trade restrictions if free trade is the best policy.