Assignment 2

Due on 2020-09-30, 23:59 IST

The due date for submitting this assignment has passed.

As per our records you have not submitted this assignment.

1) Which of the following economists introduced the decline of trade theory?
   - Adam Smith
   - David Ricardo
   - Eli Heckscher
   - Bertil Ohlin
   - No, the answer is incorrect
   Score: 0
   Accepted Answers: Adam Smith

2) The Least-traded paradox stated that —
   - USA's exports are labour-intensive and imports were capital-intensive
   - USA's exports were labour-intensive and imports were capital-intensive
   - USA's exports and imports both were labour-intensive
   - USA's exports and imports both were capital-intensive
   - No, the answer is incorrect
   Score: 0
   Accepted Answers: USA's exports were labour-intensive and imports were capital-intensive

3) How many attributes does Porter's Diamond consist of?
   - 6
   - 9
   - 4
   - 3
   - No, the answer is incorrect
   Score: 0
   Accepted Answers: 4

4) Which trade theory holds that nations can increase their economic well-being by specializing in the production of goods they produce more efficiently than anyone else?
   - The theory of absolute advantage
   - The theory of comparative advantage
   - The theory of absolute advantage
   - The factor endowment theory
   - The international product life cycle theory
   - No, the answer is incorrect
   Score: 0
   Accepted Answers: The theory of absolute advantage

5) The theory of comparative cost advantage was given by:
   - David Ricardo
   - Adam Smith
   - F. Y. Edgeworth
   - Ohlin and Hanes
   - No, the answer is incorrect
   Score: 0
   Accepted Answers: David Ricardo

6) Which theory holds that nations should produce those goods for which it has the greatest relative advantage?
   - The theory of absolute advantage
   - The theory of comparative advantage
   - The theory of absolute advantage
   - The factor endowment theory
   - None of the above
   - No, the answer is incorrect
   Score: 0
   Accepted Answers: None of the above

7) In country A, it takes 10 labor hours to produce cloth and 20 labor hours to produce grain. In country B, it takes 20 labor hours to produce cloth and 13 labor hours to produce grain. Which country should get cost advantage to produce grain?
   - B
   - No country should produce grain
   - Both A and B should produce grain
   - A
   - No, the answer is incorrect
   Score: 0
   Accepted Answers: B

8) Vernon's international product life cycle theory:
   - extends the concept of comparative advantage by bringing into consideration the endowment and cost of factors of production
   - helps explain why a product that begins as a nation export often ends up becoming an import
   - shows why the United States, surprisingly exports relatively more labor-intensive goods and imports capital-intensive goods.
   - helps explain the movement of countries from absolute advantage to comparative advantage.
   - No, the answer is incorrect
   Score: 0
   Accepted Answers: Helps explain why a product that begins as a nation export often ends up becoming an import.

9) Which one of the following theories says that "To export was good and to be encouraged but to import was bad and to be discouraged."
   - Comparative cost theory
   - The theory of absolute advantage
   - The theory of factor endowment
   - Mercantilist theory
   - No, the answer is incorrect
   Score: 0
   Accepted Answers: Mercantilist theory

10) Capital is available in large proportion and labour is less. Then that economy is known as —
   - Capital intensive
   - Labour Intensive
   - Monetarist economy
   - None of the above
   - No, the answer is incorrect
   Score: 0
   Accepted Answers: Capital intensive