



**NATIONAL OPEN UNIVERSITY OF NIGERIA  
DEPARTMENT OF ECONOMICS  
FACULTY OF SOCIAL SCIENCES  
2020\_2 EXAMINATION ...**

**COURSE TITLE: INTRODUCTION TO INTERNATIONAL ECONOMICS  
COURSE CODE: ECO 344  
UNITS: 3 UNITS  
TIME ALLOWED: 3HOURS**

**INSTRUCTIONS: ANSWER ANY FOUR QUESTIONS. EACH QUESTION  
CARRIES 17½ MARKS.**

**QUESTION**

1. Briefly explain the term; Multinational Enterprises (MNEs)? **5½Marks**
- 1b. With reference to the Chinese and Japanese economies, describe concisely, the relative importance of international trade (merchandise export) to the growth of aggregate output from the periods 1970-1991. **6Marks**
- 1c. Fundamental changes are taking place in the global trade landscape. These changes are being driven mainly by some factors. List any four of these factors. **6Marks**
2. Using algebraic representation, briefly discuss production function that contains three variables. **11½Marks**
- 2b. There are two types of efficiency that are assumed at every possible combination of resources in the production possibility frontier, discuss? **6Marks**
3. With the aid of a graph, describe the conditions that determine general equilibrium in an open economy. **13½Marks**
- 3b. Describe briefly the major difference between gains from exchange and gains from specialization. **4Marks**
4. International trade has both positive and adverse effects on trading partners, accordingly, highlight and briefly explain any five of the adverse effects of international trade. **10Marks**
- 4b. Heckscher Ohlin model adopts and maintains some assumptions about production characteristics and trading in each country? State any three of these assumption. **7½Marks**
5. Describe briefly trade pattern in a Specific-Factor Model. **8Marks**
- 5b. Explain the keys issues addressed by the Rybezynski Theorem. **9½Marks**
6. Write a concise note on each of the following:
  - i. Marxian surplus-value theory **9½Marks**
  - ii. Subsistence theory **8Marks**