



TENTAMEN / EXAMINATION



12307683

Fylls i av **student** / To be completed by the **student**

Skriv anonymiseringskoden på samtliga svarsblad / Write your anonymity code on each sheet		Anonymiseringskod / Anonymity code	
		N E G A 1 0 - 0 0 0 2 - F J G	
Provenbenämning / Exam name			Öanmäld
Skriftlig tentamen internationell handel			
Kurskod / Course code	Modul / Module	Tentamensdatum / Examination date	
N E G A 1 0	2 0 0 0	2 0 2 0 - 1 1 - 0 4	
Jag har tagit del av regler som gäller vid tentamen / I have read the current rules for examinations		Antal inlämnade blad med anonymiseringskod / Number of sheets with anonymity code	
<input checked="" type="checkbox"/> Ja / Yes		8	

Fylls i av **skrivvakt** / To be completed by the **invigilator**

Kontroll av legitimation / Identification checked	<input checked="" type="checkbox"/> Ja / Yes	Härmed intygas att kontroller utförts / This is to certify that the checks have been carried out
Kontroll av inlämnade blad / Answer sheets checked	<input checked="" type="checkbox"/> Ja / Yes	
Inlämningstid / Time of submission	1 6 : 0 0	Tydlig sign. / Signature AB

Fylls i av **lärare** / To be completed by the **examiner**

Bedömning av uppgifter / Questions attempted										
1	2	3	4	5	6	7	8	9	10	~
11	12	13	14	15	16	17	18	19	20	~
21	22	23	24	25	26	27	28	29	30	~
Totalt antal poäng / Total points					Examin. lärare / Kursansvarig signatur / Signature of the examiner					
Betyg / Grade					Namnförtydligande / Clarification of the signature					

12307683

Försättsbladet ska alltid lämnas in även om ingen uppgift behandlats /
Examination should always be submitted even if no questions are answered

Utskriven 2020-10-29 kl. 14:20:18

Anonymiseringskod: NEGA10-0002-FJG

Bedömning av uppgifter

1. 0,6
2. 0,2
3. 0,4
4. 0,2
5. 1
6. 0,4

Totalt: 2,8

Betyg: VG

Skriv ej i detta område
Leave this area blank

Ange anonymitetskod / Write your anonymity code
(Vid icke anonym tentamen ange kurskod + namn + personnummer)
(For non-anonymous exams write the course code + name + civic registration number)

NEGA10-0002-FJG

Löpande sidnr
Consecutive no:

1

(MILLIONS OF WORKERS, THOUSANDS OF MACHINES)

1. COUNTRY A LABOUR-45 CAPITAL-15
COUNTRY B LABOUR-20 CAPITAL-10

~~a) COUNTRY A'S LABOUR TO CAPITAL
b) A RELATIVELY LABOUR ABUNDANT
COUNTRY A~~

Uppgift nr /
Question no:
1

Poäng / Points
awarded:

Lärens
anteckning
Examiner's remarks:

a) THE COUNTRY WHICH IS LABOUR
ABUNDANT MEETS THIS REQUIREMENT

$$\rightarrow L_x/K_x > L_y/K_y$$

$$\begin{array}{l} \text{COUNTRY A} \quad \frac{45}{15} = \frac{3}{1} = \frac{3}{1} > \frac{2}{1} \\ \text{COUNTRY B} \quad \frac{20}{10} = \frac{2}{1} \end{array}$$

ANSWER: COUNTRY A HAS 3 LABOUR
FACTORS PER CAPITAL FACTOR
COUNTRY B HAS 2 LABOUR FACTORS
PER CAPITAL FACTOR $\frac{3}{1} > \frac{2}{1}$ WHICH
MAKES COUNTRY A RELATIVELY
LABOUR ABUNDANT.



1. b)

ACCORDING TO THE HO-THEOREM
 COUNTRIES SHOULD SPECIALIZE
 IN THE PRODUCTION AND TRADE
 (EXPORT) IN GOODS THAT ARE MORE
 INTENSIVE IN THE FACTOR THAT
 THE COUNTRY IS RELATIVELY
 WELL-ENDOWED IN SO IN THIS
 CASE COUNTRY B WILL HAVE AN
 RELATIVE ADVANTAGE IN THE
 PRODUCTION OF S

(IN THIS CASE RICARDO'S THEORY OF
 COMPERATIVE ADVANTAGE YIELDS
 THE SAME RESULT)

1. c) COUNTRY A WILL SPECIALIZE
 IN THE PRODUCTION OF T AND
 WILL USE SOME OF IT'S T TO
 TRADE WITH COUNTRY B FOR S
 ANSWER: COUNTRY A IMPORTS GOODS

Uppgift nr /
Question no:

1

Poäng / Points
awarded:Lärens
anteckning
Examiner's remarks:

Skriv ej i detta område
Leave this area blank

Ange anonymitetskod / Write your anonymity code
(Vid icke anonym tentamen ange kurskod + namn + personnummer)
(For non-anonymous exams write the course code + name + civic registration number)

NEGA 10-0602-FJ6

Löpande sidnr
Consecutive no:

3

2. THE HECKSNER-OHLIN THEOREM (HO)

IS BASED ON TWO PREMISES

1. THERE ARE TWO FACTORS OF

CAPITAL = EX LAND, FACTORIES, ETC

INFRASTRUCTURE, NATURAL RESOURCES
ETC

AND LABOUR. THE COST OF LABOR IS

WAGE, WHILE THE COST OF

CAPITAL IS RENT

2. DIFFERENT COUNTRIES ARE

WELL-ENDEWED IN DIFFERENT

FACTORS OF PRODUCTION.

AND DIFFERENT GOODS REQUIRE

DIFFERENT AMOUNTS OF L/K

(LABOUR AND CAPITAL)

THE HO THEOREM STATES STATES

THAT COUNTRIES SHOULD SPECIALIZE

IN THE PRODUCTION OF THE GOOD

THAT IS RELATIVELY INTENSIVE IN

THE FACTOR WHICH THE COUNTRY IS

RELATIVELY WELL ENDEWED IN.

Uppgift nr /
Question no:

2.

Poäng / Points
awarded:

Lärarens
anteckning
Examiner's remarks:



Ange anonymitetskod / Write your anonymity code
 (Vid icke anonym tentamen ange kurskod + namn + personnummer)
 (For non-anonymous exams write the course code + name + civic registration number)

NEGA 10-0002 - F36

Löpande sidnr
 Consecutive no:

4

Häftområde

Skriv ej i detta område
 Leave this area blank

Uppgift nr /
 Question no:
 3

Poäng / Points
 awarded:

Lärarens
 anteckning
 Examiner's remarks:

3 LEONTIEF MADE A TEST OF THE
 HO MODEL CLOSE AFTER THE END
 OF WW2. HIS HYPOTHESIS WAS THAT
 SINCE THE U.S. WAS THE MOST
 CAPITAL ABUNDANT COUNTRY IN THE
 WORLD AFTER WW2 (SINCE MOST OF THE US
 TERRITORIES WHICH HELD CAPITAL WERE NOT BOMBED
 AND DESTROYED DURING THE WAR. UNLIKE MOST
 OF THE REST OF THE WORLD)
 THAT THE U.S. WOULD EXPORT CAPITAL-
 INTENSIVE GOODS AND IMPORT MORE
 LABOUR INTENSIVE GOODS.
 TO TEST THIS HE MADE AN INPUT-
 OUTPUT MODEL FOR 200 GOODS THAT
 THE US TRADED WITH THE WORLD.
 THE MODEL SHOWED WHICH GOODS WERE
 RELATIVELY LABOUR INTENSIVE
 AND WHICH WERE RELATIVELY CAPITAL-
 INTENSIVE.
 WHAT HE FOUND WENT AGAINST HIS
 HYPOTHESIS AND SHOWED THAT THE U.S.
 WAS IMPORTING MORE CAPITAL-INTENSIVE
 GOODS THEN IT WAS EXPORTING
 AND EXPORTING MORE LABOUR-INTENSIVE
 GOODS.
 THIS IS KNOWN AS THE LEONTIEF-
 PARADOX



SO WHY IS THIS CONSIDERED TO BE AN INCOMPLETE TEST OF THE MODEL? MANY ECONOMISTS HAVE COME UP WITH REASONS FOR THIS (INCLUDING LEONTIEF HIMSELF) HERE ARE A FEW EXPLANATIONS.

1. THE STUDY DOES NOT TAKE INTO ACCOUNT THE FACT THAT US WORKERS WERE RELATIVELY MORE PRODUCTIVE THAN WORLD WORKERS.

2. THE STUDY DID NOT ADJUST FOR THE FACT THAT NATURAL RESOURCES LIKE AN EXAMPLE OIL ARE CAPITAL-INTENSIVE GOODS. AND THAT AT THE TIME THE US WERE A BIG IMPORTER OF SUCH GOODS

3. THE STUDY DID NOT TAKE INTO ACCOUNT THAT US PREFERENCES WERE MORE TOWARDS CONSUMPTION OF CAPITAL-INTENSIVE GOODS THAN THE REST OF THE WORLD

Skriv ej i detta område
Leave this area blank



Ange anonymitetskod / Write your anonymity code
(Vid icke anonym tentamen ange kurskod + namn + personnummer)
(For non-anonymous exams write the course code + name + civic registration number)

NEGA 10 - 2002 - FJG

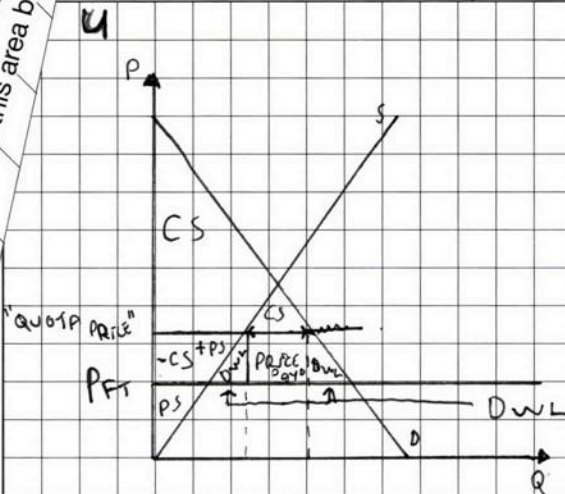
Löpande sidnr
Consecutive no:

6

Uppgift nr /
Question no:
4

Poäng / Points
awarded:

Lärens
anteckning
Examiner's remarks:



a) ~~THE PRICE THE LOBBYISTS ARE WILLING TO PAY~~
THE PRICE FIRMS ARE WILLING TO PAY THE LOBBYISTS IS THE RECTANGLE CALLED PRICE PAID

b IF THE LOBBYISTS ARE PAID THIS AMOUNT THE PRICE PAID RECTANGLE WILL BE QUOTA-RENT AND GO TO THE GOVERNMENT

CONSUMERS WILL LOSE OUT AND DOMESTIC SUPPLERS WILL GAIN SOME

THERE WILL BE DEAD WEIGHT LOSSES TO SOCIETY

(THE TRIANGLES MARKED (DWL))

Skriv ej i detta område
Leave this area blank



Ange anonymitetskod / Write your anonymity code
(Vid icke anonym tentamen ange kurskod + namn + personnummer)
(For non-anonymous exams write the course code + name + civic registration number)

NEGA 10 - 0002 - F36

Löpande sidnr
Consecutive no:

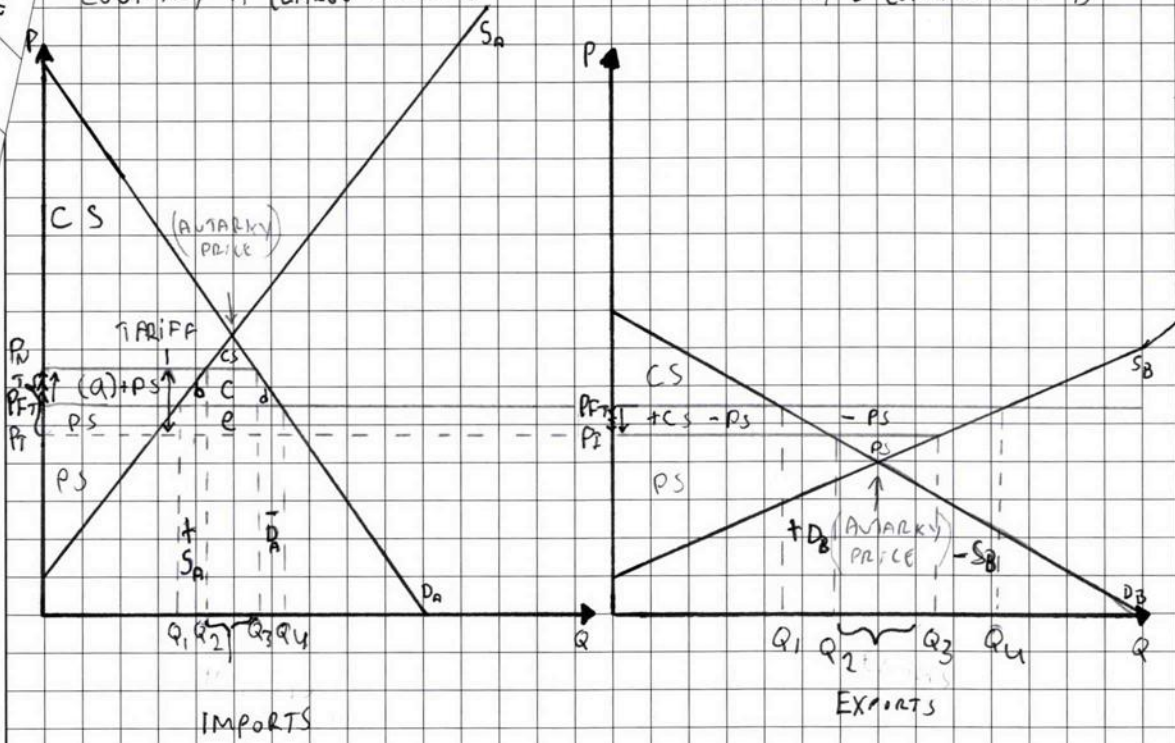
7

CS = CONSUMER SURPLUS IN THE COUNTRY EXPRESSED
PS = PRODUCER SURPLUS IN THE COUNTRY EXPRESSED
COUNTRY A (LARGE COUNTRY) COUNTRY B (SMALL COUNTRY)

Uppgift nr /
Question no:
5

Poäng / Points
awarded:

Lärens
anteckning
Examiner's remarks:



$a = +PS - CS$

d/b = DWL (FOREIGN PS) DEAD WEIGHT LOSS

c/e = TARIFF REVENUE (GOVERNMENT SURPLUS)

$abcd = -CS$

Skriv ej i detta område
Leave this area blank



Ange anonymitetskod / Write your anonymity code
(Vid icke anonym tentamen ange kurskod + namn + personnummer)
(For non-anonymous exams write the course code + name + civic registration number)

NEGA 10 - 0002 - FJG

Löpande sidnr
Consecutive no:

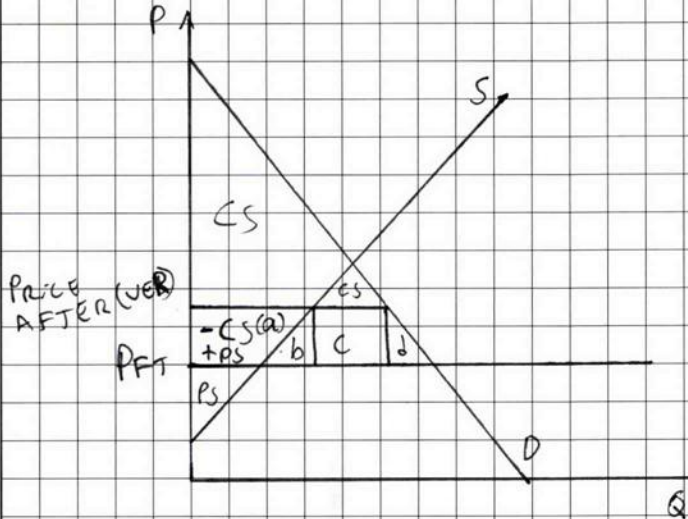
8

6.) WHEN A COUNTRY CHOOSES NOT TO EXPORT A GOOD TO A SPECIFIC COUNTRY (VOLUNTARY EXPORT RESTRAINT) (VER) IT LOOKS LIKE THIS

Uppgift nr /
Question no:
6

Poäng / Points
awarded:

Lärens
anteckning
Examiner's remarks:



NOW THE DOMESTIC CONSUMERS LOOSE a AND DOMESTIC PRODUCERS GAIN a HERE THERE IS NO DIFFERENCE IN SOCIETYS WELFARE BUT b, c and d IS A DEAD WEIGHT LOSS BOTH b and d WOULD BE LOST EVEN IF IT WAS A TARIFF BUT RECTANGLE c WOULD HAVE BEEN GOVERNMENT SURPLUS IF IT WAS A TARIFF REDUCING IMPORTS INSTEAD OF A VER.