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Q8 Discuss various factors which are responsible for growth in international business. Give the importance or gains from international trade.

Various factors which are responsible for growth in international business

- * Saturation of domestic markets.
- * opportunities in foreign markets.
- * Availability of low cost labour.
- * Competitive reasons.
- * Diversification.
- * Reduction of Trade barriers.
- * Development of Communication and technology.

Gains of International Trade

In Economics, gains from trade are the not benefit to economics agents from being allowed an increase in voluntary trading with each other. In technical terms, they are increase of consumer surplus plus producer surplus from lower tariffs or otherwise liberalizing trade.

Importance of International Trade

The importance of International trade. International trade between different countries is an important factor in raising living standards, providing employment and enabling a greater variety of goods to be enjoyed.