

These their trade.
their technological
contours which in



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These days, a wide variety of additional causes of inter-country cost differences have been identified. We can, for example, state that the following dimensions of the trading economies influence the pattern and volume of their trade. Their technological contours which in turn are affected by several factors like investment in human capital research and development total factor productivity and so on. i. Attitude of their labour force towards work.

ii. Efficiency of their financial systems. iii. Fiscal and monetary policies pursued by the authorities. iv. Efficiency of the government administration.

v.

Their labour laws and social security system. vi. Structure and extent of competitiveness of their markets.

vii. Infrastructural facilities and so on. It is very difficult to compile an exhaustive list of all the influencing factors and quantify their individual contributions, more so because each factor exerts its influence on the cost structure of the economy both by itself and in conjunction with other influencing factors.