

1129

B.A./B.Sc. (Hons.) Fifth Semester

Economics

Paper – II: International Economics

Time allowed: 3 Hours

Max. Marks: 90

NOTE: Attempt five questions in all, including Question No. I which is compulsory and selecting one question from each Unit.

x-x-x

I. Write short notes on any nine of the following :-

- a) Define offer curve.
- b) What are essentials of Adam Smith's theory of Absolute Cost Advantage?
- c) Explain Haberler's opportunity cost theory.
- d) On what grounds is Heckscher-Ohlin theory of International Trade Criticized?
- e) Make a distinction between net Barter terms of trade and gross Barter terms of Trade.
- f) Explain the concept of optimum tariff.
- g) Distinguish between specific and ad valorem duties.
- h) What is custom union?
- i) What do you mean by foreign aid and foreign trade?
- j) What are MNCs?
- k) What is foreign trade multiplier?
- l) Explain spot rate and forward exchange rates. (9x2)

UNIT – I

- II. Critically examine the classical theory of International trade. (18)
- III. Explain the meaning and measurement of gains from trade. (18)

UNIT – II

- IV. What are tariffs? Analyze their protective, consumption, retributive and terms of trade effects. (18)
- V. What is meant by economic integration? What are its forms? Discuss its benefits. (18)

P.T.O.

(2)

UNIT - III

- VI. What do you mean by balance of payments? Discuss devaluation as a measure for removing balance of payments deficit. What are conditions for its success? (18)
- VII. Throw light on the current problems of trade and finance of developing countries.(18)

UNIT - IV

- VIII. Explain the meaning of international liquidity. Discuss the problems of shortage of International liquidity. (18)
- IX. Explain the features of new International economic order. (18)

x-x-x