

5/H-16 (vi) (Syllabus-2017)

2019

(October)

ECONOMICS

(Honours)

(**International Economics**)

Marks : 75

Time : 3 hours

*The figures in the margin indicate full marks
for the questions*

Answer **five** questions, taking **one** from each Unit

UNIT—I

1. What are community indifference curves?
Explain their uses in International Trade
Theory. 3+12
2. Critically discuss the Heckscher-Ohlin
Theorem of International Trade. 15

UNIT—II

3. Critically discuss Mill's theory of reciprocal
demand. 15

4. Define terms of trade. Discuss the factors affecting terms of trade. 3+12

UNIT—III

5. What are tariffs? Discuss tariff-quota controversy with reference to developing countries like India. 3+12
6. Define quotas. Explain the effects of import quotas under partial equilibrium. 2+13

UNIT—IV

7. Explain the working and limitations of the Foreign Trade Multiplier. 15
8. Critically examine the purchasing power parity theory of exchange rates. 15

UNIT—V

9. Explain the objectives and functions of the IMF. What are the benefits which have flowed to India as one of the members? 5+5+5
10. What is World Trade Organisation? Explain its objectives and functions. How does it differ from the GATT? 2+5+5+3
