



**M.A (Final) (Economics)**  
**Model Paper -I**  
**Sub. : International Economics**

Time Allowed : 3 Hours  
100

Max. Marks :

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**Note :- Attempt one question from each section answering five question in all. All questions carry equal marks.**

**Section -A**

- 1) Critically examine the ricardian comparative cost advantage theory of international trade. To what extent is this theory supported by empirical evidence ?
- 2) Discuss the opportunity cost doctrine of international trade as propounded by haberler.
- 3) Explain the meaning of factor -intensity reversal. How does this affect the conclusions of the heckscher-ohlin theory of international trade ? Discuss.

**Section -B**

- 4) What are the non -tariff barriers? Explain the economic effects of non-tariff barriers. In this context discuss political economic protectionism.
- 5) Discuss the effect of tariffs on production, consumption, distribution of income and terms of trade from the point of view of tariff-imposing country.
- 6) What is meant by terms of trade? Explain the factors that influence its determination.

**Section -C**

- 7) Distinguish between balance of trade & balance of payments. If the balance of payments is always in balance, how do you distinguish between a weak and a strong balance of payments?
- 8) What is an exchange control? Explain the various methods of exchange control.
- 9) In the light of the experience of floating exchange rates in recent years, Discuss the relative merits and demerits of a flexible exchange rate of system.



**M.A (Final) (Economics)**  
**Model Paper -II**  
**Sub. : International Economics**

Time Allowed : 3 Hours  
100

Max. Marks :

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**Note :- Attempt one question from each section answering five question in all. All questions carry equal marks.**

**Section -A**

- 1) Explain the following :-
  - (i) Factor growth & trade : the large country case
  - (ii) Factor growth & trade : the small country case
- 2) Explain the following :-
  - (i) Factor price equalization
  - (ii) Stolper samuelson theorem
- 3) What is an offer curve ? How will you justify the shape of an offer curve? With the help of offer curves explain mill's law reciprocal demand.

**Section -B**

- 4) Consider the view that quotas are much like tariffs in their protective and redistributive effects.
- 5) Explain the following :-
  - (i) Current trade problems of developing countries
  - (ii) Brain drain and role of MNC's
- 6) Explain the following :-
  - (i) Optimum tariff
  - (ii) Custom union

**Section -C**

- 7) The balance of payments is always balanced. How then do we talk about a surplus or a deficit in the balance of payment of a country.
- 8) Explain the following :-

(i) Absorption approach

(ii) Monetary approach & portfolio balance approach of exchange rate determination.

9) Explain the following :-

(i) WTO & developing countries

(ii) Euro currency market