

2016

( 4th Semester )

ECONOMICS

( Honours )

Paper No. : ECO-402

( **International Economics** )

Full Marks : 70

Pass Marks : 45%

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. Distinguish between absolute advantage and comparative advantage, and show how all trading nations could gain from trade. 14
2. Critically examine the opportunity cost approach to international trade. 14

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( Turn Over )

UNIT—II

3. Analyze the effects of tariff in case of small country and large country.  $7+7=14$
4. What is meant by quota? Discuss, with the help of a diagram, the effects of quota under partial equilibrium analysis.  $2+12=14$

UNIT—III

5. "Balance of payments always balances." Elucidate. How do you explain disequilibrium in balance of payments?  $7+7=14$
6. What are the causes of adverse balance of payments? Give suggestions to remove an unfavourable balance of payments.  $7+7=14$

UNIT—IV

7. What are the objectives of International Monetary Fund (IMF)? How far has IMF achieved these objectives?  $7+7=14$
8. Make an estimate of the role of International Development Association (IDA) for less-developed countries. How far has the IDA contributed to the development of India?  $7+7=14$

( 3 )

UNIT—V

9. Discuss the World Trade Organization (WTO) agreement from the point of view of India. 14
10. What is ASEAN? Explain its objectives and functions. Critically examine its achievements. 2+6+6=14

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