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RNLKWC/B.A.-CBCS/VS/ECO/H/CC11/21

2021

Economics

[HONOURS]

(CBCS)

(B.Sc. Fifth Semester End Examinations-2021)

PAPER-CC11

(International Economics)

Full Marks: 60

Time: 03 Hrs

The figures in the right hand margin indicate marks

Candidates are required to give their answers in their own words as far as practicable

Illustrate the answers wherever necessary

Group-A

- 1. Answer any ten questions: 10x2= 20**
- a) What do the terms of Trade measure?
 - b) What is the reason for constant opportunity cost?
 - c) What does a community Indifference curve measure?
 - d) What is meant by balance of Payment?
 - e) Distinguish between current account and capital account in balance of payment.
 - f) What does a Production Possibility curve measure?
 - g) What is the difference between nominal tariff and effective tariff?

(2)

- h) Define community indifference curve.
- i) What is autarky?
- j) What do you mean by factor endowment?
- k) What do you understand by factor intensity reversal?
- l) What is Leontief paradox?
- m) What is the basic objective of tariff?
- n) What is meant by protectionism?
- o) Discuss the stability condition of foreign exchange market.

Group-B

Answer any four of the following Questions: 5x4 = 20

- 2. Critically discuss the Ricardian theory of comparative advantage.
- 3. What do you mean by offer curve? How is it derived?
- 4. State and prove the factor price equalization theorem.
- 5. Distinguish between autonomous and accommodating transactions in the BOP.
- 6. Define trade triangle and explain the implication of all the three sides of trade triangle.
- 7. State and explain Rybczynski theorem.
- 8. Discuss briefly Metzler Paradox.

(3)

Group -C

Answer any two of the following question: 10x2 = 20

- 9. What is optimum tariff? Derive the formula of optimum tariff. Is it true that free trade is the best policy for a small open economy?
- 10. Derive world relative supply curve in a one factor comparative advantage model. Explain the international equilibrium using world relative demand and relative supply curves.
- 11. Show that the gain from trade can be decomposed into two component – gain from exchange and gains from production specialization.
- 12. State the assumptions of 'Heckscher-Ohlin' theory of international trade and analyze the pattern of trade in this model.
