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(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- 1

1. Critically examine Ricardo's theory of comparative cost advantage. 14
2. Discuss Heckscher-Ohlin theory of international trade as an improvement over the classical theory of trade. 14

UNIT—2

3. What is a tariff? Explain the effect of tariff under general equilibrium. 2+12=14
4. Critically explain the concept of optimum tariff. 14

UNIT—3

5. What is Balance of Payments? Explain the components of balance of payments. 4+10=14
6. What do you mean by disequilibrium in the balance of payments? Explain the various methods that a country can adopt to correct disequilibrium in the balance of payments. 2+12=14

UNIT—4

7. State the functions of the Asian Development Bank and evaluate its working. 14
8. Discuss briefly the object of setting up the International Development Association. Describe the assistance India has received from the association. 10+4=14

UNIT—5

9. Explain the achievement and challenges of SAARC. 14
10. What is GATT? Evaluate the purpose and performance of General Agreement on Tariff and Trade (GATT). 2+12=14
