

(i) Printed Pages : 2

Roll No.

(ii) Questions : 14

Sub. Code :

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Exam. Code :

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**Bachelor of Commerce (Hons.) 6th Semester
(2056)**

ECONOMICS : INTERNATIONAL ECONOMICS

Paper : BCH 608

Time Allowed : Three Hours]

[Maximum Marks : 80

Note :— This question paper consists of three parts. Attempt **four** questions from Part-A, each question carries **5** marks and attempt **two** questions each from Part-B and Part-C, each question carries **15** marks.

PART-A

1. Gross barter terms of trade.
2. Tariff vs Quota.
3. Devaluation and depreciation.
4. Adam Smith concept of advantage theory.
5. Autonomous items in balance of payments.
6. Exchange rate.

5×4=20

PART-B

7. Critically explain Heckscher-Ohlin theory of international trade.

15

8. Explain the Ricardo's comparative cost advantage theory of international trade. 15
9. Give arguments for and against free trade from the viewpoint of developing countries. 15
10. Explain the rationale of protectionist policy in less developed countries. 15

PART-C

11. Discuss in detail the purchasing power parity theory of rate of exchange. 15
12. What is meant by adverse balance of payments? Explain the components of current account and capital account. 15
13. What do you mean by flexible exchange rate? How the flexible exchange rate is determined? 15
14. Difference between balance of trade and balance of payment. Explain the measures to correct the disequilibrium in balance of payments. 15