19-12-2015

Doon University, Dehradun
Final-Term Examination, 2015
School of Social Science
M.A Semester-IIIrd (Economics)
Course – SSE652; International Trade and International Finance

Time Allowed : 3hrs   **Maximum Marks :50**

Section - A

Attempt **all** questions   Marks:5x3 = 15

Q.1   Write short note on :-

(a) Commodity terms of trade and Income terms of trade

(b) Dumping

(c) Offer curves

(d) Expenditure switching and Expenditure changing policy

(e) Conditions for Stability of foreign exchange market

Section - B

Attempt **any three** questions.   Marks:3x5 =15

Q.1   How can we measure the change in the welfare of the nation as a result of growth and trade when nation is too small to affect relative commodity prices?

Q.2   Explain how Leontief paradox leads to rejection of the H-O (Heckscher-Ohlin) theorem?

Q.3   What is meant by trade creation? What is welfare effects will a trade-creating customs union have on member nations and rest of the world?

Q.4   Compare partial equilibrium effect of a tariff and a quota on trade.

Section - C

Attempt **any two** questions.   Marks:2x10 =20

Q.1   What is meant by production and consumption being pro-trade, antitrade or neutral? Explain these terms with the help of suitable diagrams?

Q.2   Write short note on any **two**

(a) Rybczynski Theorem

(b) Immiserizing Growth

(c) Optimum Tariff

Q.3   Which policy is more effective under fixed exchange rate system? How it works in this system?