

**RESEARCH DEGREE PROGRAMME IN  
ECONOMICS (REC)**

**Term-End Examination**

**June, 2016**

**RECE-009 : INTERNATIONAL ECONOMICS**

*Time : 3 hours*

*Maximum Marks : 100*

*Note : Answer questions from each section as directed.*

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**SECTION - A**

Answer **any two** questions from this section.

**2x20=40**

1. Discuss the Hecksher-Ohlin model of international trade. How is it different from the Ricardian model of international trade ?
2. Examine the logic behind infant-industry argument for restricting trade. Briefly analyse the infant - industry and market-failure arguments for protection.
3. Discuss the monetary theory of Balance-of-Payments.
4. What is meant by Customs Union ? Do regional trading blocs promote economic growth ?

## SECTION - B

Answer **any five** questions from this section.

**5x12=60**

5. Briefly explain the income - adjustment and foreign trade multiplier with repercussion effects.
6. What do you understand by terms-of-trade ? Distinguish between net barter terms of trade and income terms of trade.
7. Point out the salient features of the Bretton Woods System. Explain the reasons behind the demise of the Bretton Woods System.
8. Discuss the Stolper - Samuelson theorem.
9. Bring out the salient features of strategic trade theory and policy.
10. Discuss briefly the major components of India's trade policy since 1991.
11. Briefly describe the Mundell-Fleming model.
12. Explain :
  - (a) Leontief Paradox
  - (b) Factor Price Equalisation Theorem

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