

Mid-West University
Examinations Management Office
Birendranagar, Surkhet
End - Semester Examination, 2081

Subject: DE 443 – International Economics

FM: 60

Level/program: Bachelor (B.A) Semester: IV

Time: 3 Hours

PM: 30

Candidates are required to answer the questions in their own words as far as practicable.

Attempt ALL of the following Very Short Answer Questions.

10x1=10

1. What is the purpose of studying international economics?
2. Describe the concept of comparative advantage in the Ricardian model.
3. What are the main assumptions of the Heckscher-Ohlin model?
4. What is meant by outsourcing in international trade?
5. What role do multinational enterprises play in the global economy?
6. What is the political economy of trade policy?
7. Define a subsidy in the context of trade policy.
8. What is the difference between fixed and flexible exchange rates?
9. Describe the Bretton Woods system.
10. What is the significance of financial globalization?

Attempt any THREE of the Following Short Questions.

3x8=24

11. Explain the importance of international trade in economy.
12. Describe the role of tariffs and quotas in trade policy.
13. What are the potential benefits and drawbacks of free trade?
14. How do international monetary systems facilitate global trade?

Attempt any TWO of the Following Long Questions.

2x13 =26

15. Analyze the Heckscher-Ohlin model, including its assumptions, predictions, and real-world applicability.
16. Analyze the controversies in trade policy, focusing on the arguments for and against protectionism.
17. Compare and contrast fixed and flexible exchange rate systems. Evaluate their respective impacts on economic stability, monetary policy, and international trade.
