

**ALLAMA IQBAL OPEN UNIVERSITY, ISLAMABAD**  
**(Department of Economics)**

**WARNING**

1. **PLAGIARISM OR HIRING OF GHOST WRITER(S) FOR SOLVING THE ASSIGNMENT(S) WILL DEBAR THE STUDENT FROM AWARD OF DEGREE/CERTIFICATE, IF FOUND AT ANY STAGE.**
2. **SUBMITTING ASSIGNMENTS BORROWED OR STOLEN FROM OTHER(S) AS ONE'S OWN WILL BE PENALIZED AS DEFINED IN "AIOU PLAGIARISM POLICY".**

**Course: International Economics-I (4673)**

**Semester: Autumn, 2013**

**Level: M.Sc Economics**

**Total Marks: 100**

**Credit Hours: 3**

**Pass Marks: 40**

**ASSIGNMENT No. 1**

**(Units: 1-5)**

- Q.1 Define international economics. Also discuss difference between domestic trade and international trade. (20)
- Q.2 Compare and contrast the absolute theory with that of comparative theory of international trade. (20)
- Q.3 Critically analyse the Heckscher-Ohlin theory of international trade and its application in the modern age. (20)
- Q.4 Discuss in detail the role of Leontif Paradox in opening the way for the development of modern theories of international trade. (20)
- Q.5 In view of dynamic aspects of international trade, identify the reason of increasing the trade gap between the developed and developing countries. (20)

**ASSIGNMENT No. 2**

**(Units: 6-9)**

- Q.1 What is meant by equilibrium and disequilibrium of balance of payment? Also discuss policy measures to correct disequilibrium in its balance of payments. (20)
- Q.2 What is tariff? Why it is imposed? Also discuss its economic effects in detail. (20)
- Q.3 What are non tariff barriers? Also discuss various forms of non tariff barriers prevailing in the international trade. (20)
- Q.4 What is meant by economic integration? Discuss its economic effects. Why it is not successful among the developing countries? Give reasons. (20)
- Q.5 Explain the aims and objectives of multinational enterprises. Also discuss in detail the motives behind the foreign direct investment. (20)