

Or

(b) Discuss the concept of immiserizing growth with appropriate diagram. What are the essential conditions for immiserizing growth to occur? 7+4=11

5. (a) Give arguments in support of the policy of protection. 11

Or

(b) Give an account of the outward looking and inward looking trade strategies.  $5\frac{1}{2}+5\frac{1}{2}=11$

6. (a) Critically examine the Purchasing Power Parity theory of exchange rates. 11

Or

(b) What is flexible exchange rate? Give arguments in favour and against a system of flexible exchange rate. 1+5+5=11

7. (a) What are the main objectives of the International Monetary Fund (IMF)? Briefly assess the achievements and failures of the IMF. 4+7=11

Or

(b) Enumerate the major trade agreements of the World Trade Organisation. 11

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