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(Pages : 2)

Reg. No.....

Name.....

B.A. DEGREE (C.B.C.S.S.) EXAMINATION, APRIL 2021

Sixth Semester

B.A.—Economics (Model I)

Core Course—INTERNATIONAL ECONOMICS

[2013—2016 Admissions]

Time : Three Hours

Maximum Marks : 80

Part A (Definition Type Questions)

Answer all the following questions in one sentence each.

Each question carries 1 mark.

1. Exchange Rate.
2. Devaluation.
3. Community Indifference Curve.
4. Depreciation.
5. Capital Account in BoP.
6. Invisible Account.
7. Currency Derivatives.
8. Commercial Policy.
9. Quotas.
10. Bretton Wood Institutions.

(10 × 1 = 10 marks)

Part B

Answer any eight of the following questions in a paragraph each.

(Not exceeding 100 words)

Each question carries 2 marks.

11. What is Offer Curve ?
12. What are the Gains from trade ?
13. What is Income Terms of Trade ?
14. Explain the structure of BoP.

Turn over

15. What do you mean by Factor Endowment ?
16. What is a Floating Exchange Rate ?
17. Explain the Monetary Measures to correct disequilibrium in the BoP.
18. Write a note on Hedging.
19. Write a note on Purchasing Power Parity Theory.
20. Explain Special Drawing Rights.
21. What is MFN status ?
22. World Bank and India.

(8 × 2 = 16)

Part C (Short Essays)

*Answer any six of the following questions in one and a half pages each.
(Not exceeding 150 words).
Each question carries 4 marks.*

23. What is the significance of Terms of Trade ?
24. How does Marshall-Lerner Condition help in correcting BoP disequilibrium ?
25. Explain different types of disequilibrium in the BoP.
26. Discuss the merits and demerits of fixed exchange rate system.
27. How and why were the Bretton Wood Institutions established ?
28. Discuss the advantages and disadvantages of Globalisation.
29. Explain tariff and non-tariff barriers to trade.
30. Write a note on Currency Swap.
31. Explain the organisation and functions of the World Bank.

(6 × 4 = 24)

Part D (Long Essays)

*Answer any two of the following questions.
(Not exceeding four pages each).
Each question carries 15 marks.*

32. Critically evaluate the theory of Absolute Advantage.
33. Illustrate Heckscher - Ohlin Theorem and explain Leontief Paradox.
34. Is trade an engine of growth ? Discuss the role of WTO in promoting trade.
35. Should India follow a policy of free trade or protection ?

(2 × 15 = 30)