

(Pages : 3)

N – 1091

Reg. No. :

Name :

Sixth Semester B.A. Degree Examination, April 2022

First Degree Programme under CBCSS

Economics

Core Course XIV

EC 1644 : INTERNATIONAL ECONOMICS

(2017 Admission)

Time : 3 Hours

Max. Marks : 80

SECTION – I

Answer in **one** or **two** sentences (Answer **all** questions)

1. Factor Endowment
2. Hedging
3. Labour Theory of Value
4. Tariff
5. MNC
6. Autarchy
7. Balance of Payment
8. Economic Union

P.T.O.

9. Free Trade
10. Exchange Rate

(10 × 1 = 10 Marks)

SECTION – II

Answer any **eight** questions not exceeding **one** paragraph. **Each** question carries **2** marks.

11. Explain the role of international trade in economic development of a nation.
12. Distinguish between spot rate and forward rate.
13. What are the main arguments for protection?
14. Briefly explain Mercantilist view about international trade.
15. Distinguish between FDI and FII.
16. Define dumping. What are the types of dumping?
17. What do you mean by gains from trade? Explain.
18. Define foreign trade multiplier.
19. Distinguish between customs union and economic union.
20. What is optimum tariff? Explain.
21. Define terms of trade. What are the main factors influencing terms of trade of a country?
22. How real exchange rates differ from nominal exchange rate?

(8 × 2 = 16 Marks)

SECTION – III

Answer any **six** questions not exceeding **120** words. **Each** question carries **4** marks.

23. Critically examine the Purchasing Power Parity Theory of exchange rate determination.
24. Explain Leontief Paradox.
25. Distinguish between fixed and flexible exchange rate systems.
26. Briefly examine the comparative cost advantage theory of international trade.
27. Define economic integration. What are the various forms of economic integration?
28. Explain the structure of BOP of a country.
29. What do you mean by J-curve effect? Explain with the help of a figure.
30. Define WTO. What are its main objectives?
31. Explain the effect of devaluation by using Marshall Lerner conditions and Absorption Approach.

(6 × 4 = 24 Marks)

SECTION – IV

Answer any **two** questions not exceeding **four** pages. **Each** question carries **15** marks.

32. Critically explain the Heckscher-Ohlin Theory of international trade.
33. What are the reasons for disequilibrium in BOP? Suggest automatic and deliberate measures to correct the disequilibrium.
34. What are the various forms of non tariff barriers in international trade? Point out the main drawbacks of NTBs.
35. Examine the role of IMF in international liquidity Management.

(2 × 15 = 30 Marks)