

**B.A. DEGREE END SEMESTER EXAMINATION MARCH 2018****SEMESTER – 6: ECONOMICS (CORE COURSE)****COURSE: 15U6CRECO15: INTERNATIONAL ECONOMICS***(For Regular - 2015 Admission)*

Time: Three Hours

Max. Marks: 75

**PART A**Answer **all** questions in one or two sentences.Each question carries **1** mark.

1. International Trade
2. Opportunity Cost
3. Devaluation
4. Hedging
5. Offer Curves
6. Balance of Trade
7. Quotas
8. WTO
9. Free Trade
10. Capital Account

(1 x 10 = 10)

**PART B**Answer **any eight** questions in three or four sentences.Each question carries **2** marks.

11. Marshall Learner Conditions
12. Mercantilism
13. Futures and Options
14. Currency Swaps
15. Forward Rate and Spot Rate
16. Leontief Paradox.
17. Functions of Foreign Exchange Market.
18. Purchasing Power Parity.
19. Flexible Exchange Rates
20. Free Trade and Protection.

(2 x 8 = 16)

**PART C**Answer **any five** questions in not more than one page.Each question carries **5** marks.

21. What are the functions of IBRD?
22. Discuss the mint Parity Theory.
23. Examine the structure of the Balance of Payments.

24. Explain the Comparative Advantage Theory of International Trade.
25. Discuss the arguments for Protection.
26. What are the merits and demerits of the fixed exchange rate system.
27. Explain static and dynamic gains from trade. (5 x 5 = 25)

**PART D**

Answer **any two** not exceeding four pages.

Each question carries **12** marks.

28. Explain with suitable diagrams, the effect of a tariff.
29. What are the reasons for adverse balance of payments? Suggest various measures to correct BOP disequilibrium.
30. Explain the organization and functions of IMF.
31. Examine the Heckscher – ohlin theory of International Trade. (12 x 2 = 24)

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