B.A. DEGREE END SEMESTER EXAMINATION – MARCH 2023
SEMESTER – 6: ECONOMICS (CORE COURSE)
COURSE: 15U6CRECO15: – INTERNATIONAL ECONOMICS
(Common for Supplementary 2015/2016/2017/2018 Admissions)

Time: Three Hours   Max. Marks: 75

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

Define the following

1. Leontief Paradox.

2. Offer curve.

3. Dynamic gains from trade.

4. Balance of payments.

5. Currency depreciation.

6. Exchange rate.

7. Put option.

8. Currency swap.

9. Bretton woods twins.

10. Gold standard.   (1 x 10 = 10)

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

11. Define community indifference curves.

12. Discuss the scope of international trade.

13. Explain opportunity cost.

14. What is secular disequilibrium in BoP?

15. Distinguish between current account and capital account of BoP.

16. What is currency appreciation? Give example.

17. What do you mean by real exchange rate?

18. Define hedging.

19. What are the functions of WTO?

20. Distinguish between tariffs and quotas.   (2 x 8 = 16)

PART C
Answer any five questions in not more than 1 page.
Each question carries 5 marks.

21. Discuss different concepts related to Terms of trade

22. Explain Absolute cost advantage theory.

23. Briefly explain measures to correct BoP disequilibrium.

24. What is Marshall-Lerner condition?

25. What are the advantages of flexible exchange rate?

26. Distinguish between futures and forwards in foreign exchange market.

27. Discuss various types of quotas.   (5 x 5 = 25)

PART D
Answer any two not exceeding four pages.
Each question carries 12 marks.

28. Examine Hecksher-Ohlin theory of international trade.

29. What is devaluation? Explain Elasticity approach to the effects of devaluation.

30. How can foreign exchange risks be handled by individuals and firms?

31. What are the measured adopted as part of protectionism? Examine different grounds on which protection as a trade policy is advanced by countries.

                                                                        (12 x 2 = 24)

****