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(Pages : 3)

Name...................................

Reg. No...............................

SIXTH SEMESTER B.A. DEGREE (SUPPLEMENTARY) EXAMINATION MARCH 2018

(CCSS)

EC 6B 13—INTERNATIONAL ECONOMICS

(2013 Admissions)

Time : Three Hours

Maximum : 30 Weightage

Part A (Objective Type Questions)

Answer all **four** *questions.*

1. Market determine foreign exchange refers to :

    (a) Fixed exchange.

    (c) Stable exchange.

    (b) Flexible Exchange.

    (d) Speculative exchange.

2. The difference between import and export is :

    (a) Balance of Payment.

    (c) Balance of current account.

    (b) Balance of trade.

    (d) Balance of capital Account.

3. The SAARC has :

    (a) Seven members.

    (c) Eight members.

    (b) Eleven members.

    (d) Ten members.

4. Tariff differ from Quota on :

    (a) Revenue effect

    (c) Protective effect.

    (b) Consumption effect.

    (d) Comparative effect.

(4 × ¼ = 1 weightage)

Fill in the Blanks Questions.
Answer all **four** *questions.*

5. Under flexible exchange rate system, the exchange rate is determined by ——————.

6. The proponent if Absolute advantage theory was ——————.

7. An example of non-tariff barrier is ——————.

8. The ASEAN refers ——————.

(4 × ¼ = 1 weightage)

Turn over

9 Cyclical fluctuation may cause disequilibrium in BOP.

10 No change in the rate of exchange is fixed exchange rate.

11 Purchasing Power Parity theory is the theory of exchange rate determination.

12 Upward change in the country's currency is devaluation.

$(4 \times \frac{1}{4} = 1$

Part B (Short Answer Type Questions)

Answer **all** *questions.*

13. Define International Trade.

14. Dumping.

15. What do you mean by tariff?

16. Terms of trade.

17. Balance of Payment.

18. Mint parity.

19. Devaluation.

20. Internal trade.

21. Flexible exchange rate.

$(9 \times 1 = 9$

Part C (Short Essay Type Questions)

Answer any **five** *questions.*

22. Describe the feature of internal and international trade.

23. What do you mean by Leontief Paradox?

24. "No country is abundant in everything". Discuss.

25. Explain the term economic integration.

26. Differentiate devaluation and revaluation.

27. Explain the theory of Comparative cost advantage.

28. Distinguish between balance of trade and balance of payment.

$(5 \times 2 = 10$

Part D (Essay Type Questions)

Answer any **two** *questions.*

29. Critically examine the Heckscher Ohlin theory.

30. What do you mean by BOP ? What are the measures to correct BOP equilibrium ?

31. Examine the theory of Absolute advantage.

$(2 \times 4 = 8$ we