

(6 pages)

Reg. No. :

Code No. : 30600 E Sub. Code : CMEC 42

B.A. (CBCS) DEGREE EXAMINATION, APRIL 2023

Fourth Semester

Economics — Core

INTERNATIONAL ECONOMICS — II

(For those who joined in July 2021 onwards)

Time : Three hours

Maximum : 75 marks

PART A — (10 × 1 = 10 marks)

Answer ALL questions.

Choose the correct answer :

1. Equilibrium rate of exchange is one which?
 - (a) gives artificial gain from exports
 - (b) makes the currency over-valued
 - (c) increases foreign exchange reserves
 - (d) gives neither unfair gain nor loss in foreign trade

2. Exchange rates are determined by
 - (a) Terms of trade
 - (b) Political stability
 - (c) Inflation rate
 - (d) All the above
3. Revenue duties are levied on ————
 - (a) consumer goods
 - (b) capital goods
 - (c) luxury consumer goods
 - (d) essential goods
4. ———— is a protectionist device to restrict the supply of a good or service from abroad.
 - (a) Tariff
 - (b) Import quota
 - (c) Dumping
 - (d) Direct quota
5. IBRD is otherwise called
 - (a) IMF
 - (b) World Bank
 - (c) ASEAN
 - (d) International finance corporation

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6. IMF is having its headquarters at
 (a) Washington D.C
 (b) New York
 (c) Vienna
 (d) Geneva
7. _____ relates to patents, copyrights, trade secrets, etc.
 (a) TRIPS (b) TRIMS
 (c) GATS (d) GATT
8. The principle of _____ implies that tariff preferences accorded by a country to another are extended to all others with which it has trade relations.
 (a) Schedules of tariff concessions
 (b) Exceptions
 (c) Rules on subsidies
 (d) Most favoured nation clause
9. In the pre-independence period, the direction of India's foreign trade was determined by the
 (a) comparative cost advantage of India
 (b) colonial relations between India and Britain
 (c) absolute cost advantage of India
 (d) relations between India and USA

10. In India, more than one-third of total imports are from _____ alone.
 (a) OPEC (b) OECD
 (c) Eastern Europe (d) Developing nations

PART B — (5 × 5 = 25 marks)

Answer ALL questions choosing either (a) or (b).
 Each answer should not exceed 250 words.

11. (a) Give arguments for a system of fixed exchange rate.
 Or
 (b) Write a brief note on 'Managed floating exchange rate'.
12. (a) What is meant by dumping? Explain the objectives of dumping.
 Or
 (b) Describe the types of import quotas.
13. (a) Elucidate the objectives of IMF.
 Or
 (b) Mention the functions of world bank.
14. (a) Discuss the main features of the TRIPS agreement.
 Or
 (b) Summarise the objectives of GATT.



15. (a) Analyse the direction of foreign trade in India.

Or

- (b) List out the salient features of foreign trade in India.

PART C — (5 × 8 = 40 marks)

Answer ALL questions choosing either (a) or (b).

Each answer should not exceed 600 words.

16. (a) Examine the merits and demerits of flexible exchange rate system.

Or

- (b) What is an equilibrium rate of exchange? How is it determined?

17. (a) Analyse the important difference between import quota and a tariff.

Or

- (b) Discuss the effects of dumping on importing country and exporting country.

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18. (a) Examine the functions of IMF. Critically examine its achievements.

Or

- (b) Explain the structure of the world bank.

19. (a) Assess the objectives and functions of the world trade organisation.

Or

- (b) Write a brief note on :

(i) TRIMS and

(ii) GATS.

20. (a) Explain the composition of foreign trade in India.

Or

- (b) Evaluate the recent trends in India's foreign trade.

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