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M.A.(CBCS) DEGREE EXAMINATION,
NOVEMBER 2020.

First Semester

Economics

Elective –INTERNATIONAL ECONOMICS

(For those who joined in July 2016 and afterwards)

Time : Three hours   Maximum : 75 marks

PART A — (10 × 1 = 10 marks)

Answer ALL the questions.

Choose the correct answer :

1. International trade in goods and Services in Sometimes used as a substitute for all of the following except:

    (a) International Movements of Capital

    (b) International Movements of Labor

    (c) International Movements of Technology

    (d) Domestic Production of different goods and services

2. The earliest statement of the principle of Comparative advantage is associated with

   (a) Adam Smith   (b) Eli Heckscher

   (c) David Ricardo   (d) Bertil ohlin

3. The gain from international trade are closely related to

   (a) The Labor theory of Value

   (b) How much the autarky price differs from international terms of trade change

   (c) The fact that a country must Lose from trade

   (d) All of the above

4. For the Oil-importing countries, the increases in oil prices in 1970's and early 2000's contributed to all of the following except;

   (a) Balance of trade deficit

   (b) Price Inflation

   (c) Constrained economic growth

   (d) Improving terms of trade

5. A tax of 20 cents per unit of imported cheese would be an example of a (an):

   (a) Compound tariff

   (b) Effective tariff

   (c) Advalorem tariff

   (d) Specific tariff

6. Which trade policy results in the government levying both a specific tariff and an ad-valorem tariff on imported goods:

   (a) Compound tariff   (b) Effective tariff

   (c) Nominal tariff   (d) Revenue tariff

7. The Institutional framework developed in 1947 to promote trade liberalization is known as

   (a) The WTO   (b) The GATT

   (c) The IMF   (d) The World Bank

8. ————— are quotas that result in a total prohibition of trade.

   (a) Embargoes

   (b) Tariff-rate quotas

   (c) Voluntary Export Restraints

   (d) Non-tariff Barriers

9. The organization that currently established rules of conduct for firms engagins in International trade is

   (a) World Bank

   (b) International Trade Commission

   (c) WTO

   (d) Department of Justice

10. The effect of the most- favored – nation clause is to

    (a) Eliminate all tariffs between countries

    (b) Increase all tariffs rate between countries

    (c) Maintain a non discriminatory structure of tariffs

    (d) Maintain a discriminatory structure of tariffs

PART B — (5 × 5 = 25 marks)

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

Each answer should not exceed 250 words.

11. (a) Make a distinction between Domestic trade and International trade.

Or

    (b) Write a Short note on Rybczynski Theorem.

12. (a) Explain Immisersing growth with a suitable diagram.

Or

    (b) What are the Terms of Trade? Explain in detail.

13. (a) Explain the objectives of Exchange control.

Or

    (b) Write a short note on Mint Par of Exchange.

14. (a) Explain briefly the operation of IMF.

Or

(b) Trace the genesis of ADB and its objectives.

15. (a) What are TRIPs? What are the restrictions made under this?

Or

(b) Differentiate between GATT and WTO.

PART C — (5 × 8 = 40 marks)

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

Each answer should not exceed 600 words.

16. (a) Discuss the nature and essentials of International Trade.

Or

(b) Analyse Heckscher – ohlin theory with a suitable diagrams.

17. (a) Explain the novel in Linder's Volume of trade theory.

Or

(b) Examine in detain about India's composition of trade since Independence.

18. (a) Enumerate the causes for fluctuations in the rate of Exchange.

Or

(b) Discuss about 'Export Promotion' and 'Import Substitution' efforts.

19. (a) Examine the role of IMF towards LDCs. Trace the benefits extended to India by the IMF.

Or

(b) Evaluate the preferential Trade Areas and Free Trade Areas.

20. (a) Discuss the objectives and functions of WTO.

Or

(b) Trace the origin of GATT and enumerate its functions with critical evolution of the same

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