

**16U552**

(Pages: 2)

Name: .....

Reg. No.....

**FIFTH SEMESTER B.A. DEGREE EXAMINATION, NOVEMBER 2018**

(CUCBCSS-UG)

**CC15U ECO5 B10 - INTERNATIONAL ECONOMICS**

(Economics - Core Course)

(2015-Admission onwards)

Time: Three Hours

Maximum: 80 Marks

**Section A**

Answer *all* questions. Each question carries ½ mark.

Multiple Choices:

1. "Trade as an engine of growth" Who said this?  
a) Robertson      b) Samuelson      c) Tinbergen      d) None
2. Intra industry trade means  
a) Trade in homogenous commodity      b) Trade in differentiated commodity  
c) Both a & b      d) None of the above
3. Countervailing duty belongs to which category?  
a) Traditional protectionism      b) New protectionism  
c) Neo protectionism      d) All the above
4. Dumping means  
a) Price discrimination      b) Homogenous pricing  
b) Fancy pricing      d) none of the above
5. Loosest form of Economic integration?  
a) PTA      b) FTA      c) Economic Union      d) Common Market
6. Domestic currency price of foreign currency is  
a) Exchange rate      b) External value  
c) Both a&b      d) All the above
7. Which among the following is a vehicle currency?  
a) Dollar      b) Euro      c) Yen      d) None
8. PPP was developed by  
a) Cassel      b) Samuelson      c) Marshall      d) None of the above
9. An increase in external value of foreign currency means.  
a) Appreciation      b) Depreciation      c) Either a or b      d) None of the above
10. Future contracts deals with  
a) All currencies      b) Specific currencies  
c) Standard currency      d) All the above

11. BoP disequilibrium can be corrected by which measure  
a) Depreciation    b) Devaluation    c) Both a & b    d) None of these
12. Treaty of Marrakesh is the basis for the establishment of:  
a) IMF    b) European Union    c) WTO    d) None of these

**(12 x ½ = 6 Marks)**

### **Section B**

Answer any *ten* questions. Each question carries 2 marks.

- |                                     |                                      |
|-------------------------------------|--------------------------------------|
| 13. Define sliding scale duty.      | 19. What is Common market?           |
| 14. Define speculation.             | 20. What is Persistent dumping?      |
| 15. Explain managed floating.       | 21. Elucidate deflation.             |
| 16. Define countervailing duty.     | 22. What is devaluation?             |
| 17. Explain flexible exchange rate. | 23. What is the importance of BoT?   |
| 18. What is Dumping?                | 24. Briefly explain Current account. |

**(10 x 2 = 20 Marks)**

### **Section C**

Answer any *six* questions. Each question carries 5 marks.

25. Explain briefly about flexible exchange rate.
26. Write a note on hybrid exchange rate.
27. Write a short note on IMF.
28. European Union.
29. Briefly explain the different types of dumping.
30. Write a note on Forex.
31. Explain absolute advantage theory.
32. Differentiate FDI and FII.

**(6 x 5 = 30 Marks)**

### **Section D**

Answer any *two* questions. Each question carries 12 marks.

33. Write about the functions of Foreign Exchange Market.
34. Elucidate modern theory of international trade.
35. Explain various theories of exchange rate determination.
36. What is BoP? How the disequilibrium in BoP can be corrected?

**(2 x 12 = 24 Marks)**

\*\*\*\*\*