

PSG COLLEGE OF ARTS & SCIENCE  
(AUTONOMOUS)  
BA DEGREE EXAMINATION MAY 2018  
(Third Semester)

Branch - ECONOMICS

INTERNATIONAL ECONOMICS

Time : Three Hours

Maximum : 75 Marks

SECTION-A (20 Marks)

Answer ALL questions

ALL questions carry EQUAL marks (10 x 2 = 20)

- 1 International Trade.
- 2 Offer Curve.
- 3 Terms of Trade.
- 4 Import Quota.
- 5 Devaluation.
- 6 Exchange rate.
- 7 IFC.
- 8 GATT.
- 9 Balance of Payment.
- 10 Export Promotion.

SECTION - B (25 Marks)

Answer ALL Questions

ALL Questions Carry EQUAL Marks (5 x 5 = 25)

- 11 a Differentiate between Inter Regional Trade and International Trade.  
OR  
b Briefly explain the Production Possibility curve.
- 12 a Briefly explain the salient features of Free Trade Policy.  
OR  
b Write the objectives of Exchange Control.
- 13 a Explain the Purchasing Power Parity Theory.  
OR  
b Distinguish Fixed and Flexible Exchange rate.
- 14 a Write a note on SAARC.  
OR  
b Explain the importance of World Bank in International Trade.
- 15 a Bring out the features of India's Foreign Trade Policy.  
OR  
b Write a brief note on Liberalization, Privatization and Globalization.

SECTION - C (30 Marks)

Answer any THREE Questions

ALL Questions Carry EQUAL Marks (3 x 10 = 30)

- 16 Critically examine Ricardian theory of Comparative difference in costs.
- 17 Explain the arguments for and against production.
- 18 What are the causes for disequilibrium in balance of payments? Mention the steps to be taken to correct the disequilibrium.
- 19 Analyse the objective and working of IMF.
- 20 Explain the growth and direction of India's Foreign Trade.