

D 11339

(Pages : 4)

Name.....

Reg. No.....

**FIFTH SEMESTER B.A. DEGREE EXAMINATION, NOVEMBER 2016**

(CUCBCSS—UG)

Economics

**ECO 5B 10—INTERNATIONAL ECONOMICS**

Time : Three Hours

Maximum : 80 Marks

*Answers may be written either in English or in Malayalam.*

**Part A**

*Answer all questions.*

*Each question carries ½ mark.*

1. The famous statement foreign trade as “Engine of Growth” is remarked by :
  - (a) Salvatore.
  - (b) Leontief.
  - (c) Robertson.
  - (d) Adam Smith.
2. Autarky is a state of :
  - (a) Trade between friendly nations.
  - (b) No trade between nations.
  - (c) Trade between neighbours.
  - (d) None of these.
3. According to Ohlin, International Trade arise owing to the following reason :—
  - (a) Differences in factor endowments.
  - (b) Absence of trade restrictions.
  - (c) Differences in relative commodity prices.
  - (d) To dispose of the surplus production.
4. Adam Smith argued in favour of :
  - (a) Protection.
  - (b) Free trade.
  - (c) Self sufficiency.
  - (d) Government intervention.
5. Who is known as the watch dog of International Trade ?
  - (a) World Bank.
  - (b) IFC.
  - (c) IMF.
  - (d) WTO.

Turn over

6. Tariff is an important instrument of trade :
- (a) Regulation. (b) Control.  
(c) Protection. (d) Promotion.
7. When was ASEAN formed ?
- (a) 1967. (b) 1989.  
(c) 1979. (d) 1957.
8. The deliberate reduction in the value of domestic currency is called :
- (a) Opportunity cost. (b) Terms of Trade.  
(c) Devaluation. (d) Depreciation.
9. The balance of exports and imports of services and transfer payments is called :
- (a) Balance of invisible trade. (b) Balance of visible trade.  
(c) Balance of service trade. (d) None of these.
10. The price at which two currencies exchange is called :
- (a) Devaluation. (b) Exchange rate.  
(c) Depreciation. (d) Revaluation.
11. The Head Quarter of WTO is in :
- (a) Washington. (b) Bombay.  
(c) Geneva. (d) Paris.
12. A systematic record of all transactions between the residents of one country and the rest of the world :
- (a) Balance of Payments. (b) Balance of Trade.  
(c) Current Account. (d) Capital Account.

(12 × ½ = 6 marks)

**Part B (Very Short Answer Questions)**

*Answer any ten questions.*

*Each question carries 2 marks.*

13. Explain Labour Theory of Value.
14. What is net barter terms of trade ?

15. Define Factor Endowment.
16. Explain absolute advantage.
17. Briefly explain SAARC.
18. Define Import Quota.
19. What is meant by overvaluation ?
20. What is managed float ?
21. Explain Foreign Direct Investment.
22. Write a note on IMF.
23. What is meant by Currency Convertibility ?
24. Define inter regional trade.

(10 × 2 = 20 marks)

#### Part C (Short Essay Questions)

*Answer any six questions.*

*Each question carries 5 mark.*

25. Examine the components of Balance of Payments.
26. Briefly analyse the Mint Parity Theory of exchange rate determination.
27. Define foreign exchange market. What are the important functions of foreign exchange market ?
28. Explain the main arguments in favour of free trade.
29. Explain Leontief Paradox in the context of Heckscher Ohlin Theorem.
30. Examine the importance of International Trade.
31. What are the similarities between inter regional trade and international trade ?
32. Briefly explain the Absolute Advantage Theory of International Trade.

(6 × 5 = 30 marks)

#### Part D (Essay Questions)

*Answer any two questions.*

*Each question carries 12 marks.*

33. What are the important causes for BOP disequilibrium ? Suggest measures to correct disequilibrium in BoP.

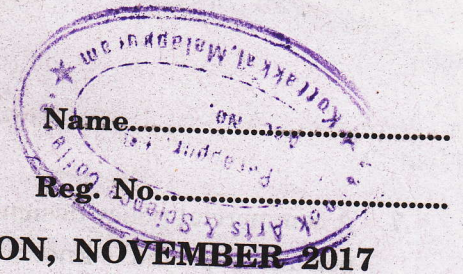
Turn over

- 34. Briefly explain various theories of exchange rate determination.
- 35. Examine Foreign Direct Investment in India. Analyse its merits and demerits.
- 36. Critically examine the Modern Theory of International Trade.

(2 × 12 = 24 marks)

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(Pages : 3)



**FIFTH SEMESTER B.A. DEGREE EXAMINATION, NOVEMBER 2017**

(CUCBCSS—UG)

Economics

ECO 5B 10—INTERNATIONAL ECONOMICS

Time : Three Hours

Maximum : 80 Marks

*Answers may be written either in English or in Malayalam.*

**Part A**

*Answer all questions.*

*Each question carries ½ marks.*

1. Adam Smith argued in favour of :
  - (a) Free trade.
  - (b) Protection.
  - (c) Govt. intervention.
  - (d) Self sufficiency.
2. The main reason for international trade is :
  - (a) Technological advancement.
  - (b) Tradition.
  - (c) Political needs.
  - (d) Geographical specialization.
3. The first empirical test of Heckscher-Ohlin theory was conducted by :
  - (a) D. Young
  - (b) Richard A Caves.
  - (c) J.S. Champan
  - (d) Leontief.
4. To promote a favourable trade balance, Mercantilists advocated :
  - (a) Closed economy.
  - (b) Laissez faire economy.
  - (c) Market economy.
  - (d) Govt. regulation of trade.
5. The tariff imposed as a fixed percentage of the value of the commodity imported are called :
  - (a) Specific tariff.
  - (b) Compound tariff.
  - (c) Ad-valorem tariff.
  - (d) Nominal tariff.
6. ASEAN was formed in :
  - (a) 1989.
  - (b) 1967.
  - (c) 1957.
  - (d) 1979.

**Turn over**

7. A commercial policy designed to increase exports by an additional sum above the domestic price per unit exported is known as :
- (a) Grants in aid. (b) Tax concession.  
(c) Targeting. (d) Export subsidy.
8. The Watch dog of international trade is :
- (a) European Union. (b) WTO.  
(c) IMF. (d) World Bank.
9. A systematic record of all transactions between the residents of one country and the rest of the world :
- (a) Balance of Payments. (b) Balance of Trade.  
(c) Current Account. (d) Capital Account.
10. The price of one currency in terms of another currency is called :
- (a) Depreciation. (b) Devaluation.  
(c) Exchange rate. (d) Foreign exchange.
11. The act of avoiding a foreign exchange risk arising from an agreed forward rate is called :
- (a) Speculation. (b) Arbitrage.  
(c) Hedging. (d) Dumping.
12. International Monetary Fund started functioning on :
- (a) 1944. (b) 1947.  
(c) 1995. (d) 1982.

(12 × ½ = 6 marks)

**Part B (Very Short Answer Questions)**

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

13. Define internal trade.
14. What is meant by import substitution ?
15. Write a note on capital account.
16. Explain currency convertibility.
17. Briefly explain about European Union.
18. What is meant by overvaluation of currency ?

19. Define hybrid exchange rate.
20. Explain commodity terms of trade.
21. What is Foreign exchange market ?
22. Define labour theory of value.
23. Define factor endowment.
24. What is dumping ?

(10 × 2 = 20 marks)

**Part C (Short Essay Questions)**

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

25. Explain the important objectives of SAARC.
26. What is meant by equilibrium rate of exchange ? How is it determined ?
27. Explain the structure of Balance of Payment.
28. What are the important arguments in favour of free trade ?
29. Bring out the important differences between internal trade and international trade.
30. Explain the Balance of Payment theory of exchange rate determination.
31. What are the important disadvantages of fixed exchange rate system ?
32. Explain the important criticisms leveled against Heckscher Ohlin theory of international trade.

(6 × 5 = 30 marks)

**Part D (Essay Questions)**

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

33. Comment on the role of international trade in economic development of a country.
34. Explain the objectives and functions of International Monetary Fund.
35. Critically examine the Absolute Cost Advantage Theory of International Trade.
36. What are the important causes for BOP disequilibrium? Suggest measures to correct disequilibrium in BoP.

(2 × 12 = 24 marks)

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(Pages : 4)

Name.....

Reg. No.....

FIFTH SEMESTER B.A. DEGREE EXAMINATION, NOVEMBER 2018

(CUCBCSS—UG)

Economics

ECO 5B 10—INTERNATIONAL ECONOMICS

Time : Three Hours

Maximum : 80 Marks

*Answers may be written either in English or in Malayalam.*

**Part A (Objective Type)**

*Answer all questions.*

*Each question carries ½ mark.*

1. The theory of comparative advantage was first introduced by :
  - (a) David Ricardo.
  - (b) J. S. Mill.
  - (c) Adam Smith.
  - (d) Hrischman.
2. \_\_\_\_\_ is the automatic upward adjustment in the official exchange rate, which increase the value of currency.
  - (a) Appreciation.
  - (b) Depreciation.
  - (c) Devaluation.
  - (d) Revaluation.
3. A systematic record of a country's receipts and payments in international transactions in a given year is called :
  - (a) Balance of Trade.
  - (b) Terms of Trade.
  - (c) Exchange Rate.
  - (d) Balance of Payments.
4. Purchasing Power Parity theory is associated with the determination of :
  - (a) Money value.
  - (b) Exchange rate.
  - (c) Tariffs.
  - (d) Balance of Trade.
5. NAFTA is an example of :
  - (a) Common market.
  - (b) Customs union.
  - (c) Free trade agreement.
  - (d) Economic community.

**Turn over**

6. Tariffs are :
- (a) Taxes imposed on imports.
  - (b) Taxes imposed on the consumption of domestic goods.
  - (c) Taxes imposed on the consumption of imported services.
  - (d) Taxes imposed on the consumption of domestic services.
7. WTO came into existence in :
- (a) 1991.
  - (b) 1995.
  - (c) 2001.
  - (d) 2005.
8. A tax on imports that is stipulated as a money amount per unit is :
- (a) A Specific Tariff.
  - (b) An Optimum Tariff.
  - (c) An Advalorem Tariff.
  - (d) An effective Tariff.
9. Which of the following form of economic integration describes the most highest form :
- (a) Common market.
  - (b) Free trade area.
  - (c) Customs union.
  - (d) Economic union.
10. The Heckscher-Ohlin theory deals with which type of trade :
- (a) Inter industry trade.
  - (b) Trade based on economies of scale.
  - (c) Intra industry trade.
  - (d) Trade based on product cycles.
11. To promote a favourable trade balance, Mercantilists advocated :
- (a) Closed economy.
  - (b) Laissez faire economy.
  - (c) Market economy.
  - (d) Government regulation of trade.
12. A commercial policy designed to increase exports by an additional sum above the domestic price per unit exported is known as :
- (a) Grants in aid.
  - (b) Tax concession.
  - (c) Targeting.
  - (d) Export Subsidy.

(12 × ½ = 6 marks)

**Part B (Very Short Answer Type Questions)**

*Answer any ten questions.*

*Each question carries 2 marks.*

13. What is meant by International Trade ?
14. Write a note on SAARC.
15. Explain currency appreciation.
16. What is meant by non-tariff barriers ?
17. Distinguish between Balance of Payments and Balance of Trade.
18. What is FDI ?
19. What is customs union ?
20. Define Dumping.
21. What is meant by fixed exchange rate ?
22. Write a note factor endowment theory.
23. What is terms of trade ?
24. Explain currency convertibility.

(10 × 2 = 20 marks)

**Part C (Short Essays)**

*Answer any six questions.*

*Each question carries 5 marks.*

25. Explain the theory of comparative advantage.
26. Explain the components of Balance of Payments.
27. What is meant by economic integration ? Explain important forms of economic integration.
28. Explain the origin and functions of WTO.
29. Explain the important non-tariff barriers of international trade.
30. Explain the important systems of exchange rate determination ?
31. Explain Mint Parity theory.
32. Explain the causes of balance of payments disequilibrium.

(6 × 5 = 30 marks)

**Turn over**

**Part D (Essay Questions)**

*Answer any two questions.*

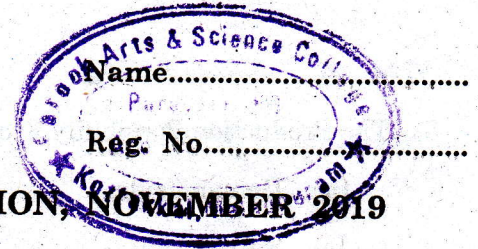
*Each question carries 12 marks.*

33. Explain the arguments for and against free trade.
34. Explain the objective and functions of IMF.
35. Explain Heckscher-Ohlin theorem.
36. Explain in detail the role of international trade in economic development of a country.

(2 × 12 = 24 marks)

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**FIFTH SEMESTER B.A. DEGREE EXAMINATION, NOVEMBER 2019**

(CUCBCSS—UG)

Economics

ECO 5B 10—INTERNATIONAL ECONOMICS

Time : Three Hours

Maximum : 80 Marks

**Section A (Objective Type Questions)**

*Answer all twelve questions.*

*Each question carries ½ mark.*

1. Wassily Leontief used his input-output table in order to test the :
  - (a) Ricardian theory of comparative advantage.
  - (b) Heckscher - Ohlin theory of comparative advantage.
  - (c) Linder theory of overlapping demand.
  - (d) All of the above.
2. Terms of trade shows :
  - (a) Ratio import duties.
  - (b) Ratio of goods exported and imported.
  - (c) Ratio of prices of exports and imports.
  - (d) None of these.
3. In the Ricardian theory of comparative cost advantage, comparative advantage is measured by looking into :
  - (a) Opportunity cost.
  - (b) Factor endowments.
  - (c) Reciprocal demand.
  - (d) None of these.
4. Tarapore Committee submitted its report on "Full Convertibility on Rupee" on :
  - (a) Current account.
  - (b) Capital account.
  - (c) Both in current as well as in Capital account.
  - (d) None of these.

Turn over

5. The Production Possibility Frontier (PPF) in international trade equilibrium denotes :
- (a) Demand side.
  - (b) Consumption side.
  - (c) Supply side.
  - (d) Trade side
6. According to Heckscher-Ohlin theory comparative cost advantage arises due to :
- (a) Economies of large-scale production.
  - (b) Relative abundance of various resources.
  - (c) Relative costs of labor.
  - (d) Research and development expenditures.
7. An import tariff in general :
- (a) Reduces the export.
  - (b) Reduces the import.
  - (c) Reduces the volume of trade.
  - (d) (b) and (c).
8. Ad valorem means :
- (a) Fixed amounts of money per unit traded.
  - (b) A percentage of the price of the product.
  - (c) A percentage of the quantity of imports.
  - (d) All of the above.
9. Which round of international trade negotiations resulted in the creation of the World Trade Organization ?
- (a) Kennedy Round of 1964-1967.
  - (b) Tokyo Round of 1973-1979.
  - (c) Uruguay Round of 1986-1993.
  - (d) Doha Round of 2003-2007.
10. The currency of the European Monetary System is :
- (a) Dollar.
  - (b) Franc.
  - (c) Pound.
  - (d) Euro.
11. All of the following are debit items in the balance of payments, except :
- (a) Capital outflows.
  - (b) Merchandise exports.
  - (c) Private gifts to foreigners.
  - (d) Foreign aid granted to other nations.

12. Suppose that an Indian television set that costs Rs. 28,000 in India costs \$ 400 in the United States. The exchange rate between the Rupee and the dollar is :
- (a) 1 dollar per 70 rupees.                      (b) 1 dollar per 1 Rupees.  
 (c) 1 dollar per 65 rupees.                      (d) 2 dollar per 70 rupees.

(12 × ½ = 6 marks)

### Section B (Very Short Answers)

*Answer any ten questions.*

*Each question carries 2 marks.*

13. Distinguish between FDI and portfolio investment
14. What is meant by international capital flows ?
15. Distinguish between Balance of Payments and Balance of trade.
16. What is meant by managed floating ?
17. What are the important functions of foreign exchange markets ?
18. What are the different accounts of BoP ?
19. Examine why do nations enter into trade ?
20. What are the different types of dumping ?
21. What is meant by Voluntary Export Restraint (VER) ?
22. Distinguish between domestic trade and international trade.
23. Explain the export import policy of Mercantilists ?
24. What is meant by gold standard ?

(10 × 2 = 20 marks)

### Section C (Short Essay)

*Answer any six questions.*

*Each question carries 5 marks.*

25. Critically examine the absolute cost theory of international trade.
26. What are the important factors influencing international capital flows ?
27. What are the important arguments in favour and against free trade ?
28. What are the important fiscal and monetary policy instruments to correct Bop disequilibrium ?
29. Examine the relative merits and demerits of flexible and fixed exchange rate systems.
30. What are the important functions of WTO ?

Turn over

31. Evaluate the success and failures of SAARC as a regional economic cooperation model.
32. Critically examine the comparative cost theory of international trade.

(6 × 5 = 30 marks)

**Section D (Essay)**

*Answer any two questions.*

*Each question carries 12 marks.*

33. Critically examine the Heckscher - Ohlin theory of international trade.
34. What are the important functions of IMF ? Assess the performance of IMF from its inception
35. Critically examine the Mint parity theory and BoP theory of exchange rate determination.
36. Explain the nature, scope, importance and subject matter of international Economics.

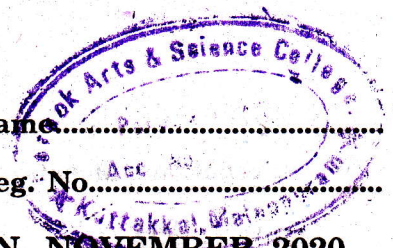
(2 × 12 = 24 marks)

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(Pages : 4)

Name.....

Reg. No.....



**FIFTH SEMESTER B.A./B.Sc. DEGREE EXAMINATION, NOVEMBER 2020**

(CUCBCSS—UG)

Economics

ECO 5B 10—INTERNATIONAL ECONOMICS

Time : Three Hours

Maximum : 80 Marks

*Answers may be written either in English or in Malayalam.*

**Section A**

*Answer all questions.*

*Each question carries 1 mark.*

1. International trade refers to trade between :
  - (a) Two regions of the country.
  - (b) Two commodities produced in different countries.
  - (c) Two countries.
  - (d) None of the above.
2. The trade theory that states that nations should accumulate wealth, usually in the form of gold, by encouraging exports and discouraging imports is called :
  - (a) Keynesianism.
  - (b) Individualism.
  - (c) Socialism.
  - (d) Mercantilism.
3. Classical theory of international trade takes into account :
  - (a) Cost of all factors.
  - (b) Cost of labour alone.
  - (c) Cost of capital alone.
  - (d) Cost of capital and labour.
4. Balance of trade includes :
  - (a) Goods accounts only.
  - (b) Service accounts only.
  - (c) Goods and service accounts only.
  - (d) Unilateral transfer accounts.
5. \_\_\_\_\_ is the deliberate downward adjustment in the official exchange rate, which reduces the currency's value.
  - (a) Devaluation.
  - (b) Revaluation.
  - (c) Appreciation.
  - (d) Depreciation.

**Turn over**

6. International Monetary Fund started functioning on :
- (a) 1944. (b) 1947.  
(c) 1995. (d) 1991.
7. The tariff imposed as a fixed percentage of the value of the commodity imported are called :
- (a) Specific tariff. (b) Compound tariff.  
(c) Advalorem tariff. (d) Nominal tariff.
8. Currency of European Union is called :
- (a) Pound Sterling. (b) Euro.  
(c) Dollar. (d) Ruble.
9. The rate at which the currency of one country is exchanged for that of another is called :
- (a) Exchange rate. (b) Terms of trade.  
(c) Balance of Payments. (d) Balance of Trade.
10. The first empirical test of Heckscher-Ohlin theory was conducted by :
- (a) D. Young. (b) Adam Smith.  
(c) David Ricardo. (d) Leontief.
11. ASEAN was formed in :
- (a) 1989. (b) 1967.  
(c) 1957. (d) 1979.
12. A tariff is :
- (a) A tax on imports only. (b) A tax on exports only.  
(c) A luxury tax. (d) A tax on either exports or imports.

(12 × 1 = 12 marks)

**Section B (Very Short Answer Type Questions)**

*Answer at least six questions.*

*Each question carries 3 marks.*

*All questions can be attended.*

*Overall ceiling 18.*

13. What is foreign exchange market ?

14. Write a note on export subsidy.

15. What is meant by protection ?
16. What is terms of trade ?
17. Explain Internal trade.
18. Write a note on European Union.
19. What is Balance of Trade ?
20. Define Tariffs.
21. Write a note on free trade.
22. Define Dumping.
23. What is devaluation ?
24. Define hybrid exchange rate.

(6 × 3 = 18 marks)

**Section C (Short Essay Type Questions)**

*Answer at least four questions.*

*Each question carries 6 marks.*

*All questions can be attended.*

*Overall ceiling 24.*

25. Explain the important forms of economic integration.
26. Write a note on ASEAN.
27. Explain Heckscher-Ohlin model.
28. What are the functions of foreign exchange market ?
29. Explain the arguments for protection.
30. Explain important systems of foreign exchange market.
31. Explain the functions of IMF.
32. Explain Leontief Paradox.

(4 × 6 = 24 marks)

**Turn over**

**Section D (Essay Type Questions)**

*Answer any two questions.*

*Each question carries 13 marks.*

33. Explain in detail the theories of Exchange rate determination.
34. What are the important causes of BoP disequilibrium ? Explain important measures to correct disequilibrium in BoP.
35. Explain the tariffs and non-tariffs barriers of international trade.
36. Explain the role of international trade in economic development of a country.

(2 × 13 = 26 marks)

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(Pages : 4)

Name.....

Reg. No.....

**FIFTH SEMESTER (CUCBCSS—UG) DEGREE EXAMINATION  
NOVEMBER 2022**

Economics

ECO 5B 10—INTERNATIONAL ECONOMICS

(2017—2018 Admissions)

Time : Three Hours

Maximum : 80 Marks

**Part A (Objective Type Questions)***Answer all twelve questions**Each question carries ½ mark.*

1. A fall in the value of a currency in terms of its exchange rate versus other currencies is :
  - a) Devaluation.
  - b) Appreciation.
  - c) Revaluation.
  - d) Depreciation.
2. NAFTA was established in :
  - a) 1991.
  - b) 1994.
  - c) 1995.
  - d) 1998.
3. Identify the exchange rate system followed in India :
  - a) Managed float system.
  - b) Fixed exchange rate system.
  - c) Flexible exchange rate system.
  - d) None of the above.
4. Trade balance is included in :
  - a) Current account of balance of payments.
  - b) Capital account of balance of payments.
  - c) Official reserves account of balance of payments.
  - d) Not included in balance of payments.

**Turn over**

5. Choose the correct statement/s related to currency appreciation :
- a) Appreciation of a currency takes place when the supply of the currency is lesser than its demand in the foreign exchange market.
  - b) Currency appreciation refers to the increase in the value of one currency with respect to other foreign currencies.
  - c) It is a feature associated with floating or managed floating exchange rate regimes.
  - d) All the above.
6. Hedging means:
- a) Covering foreign exchange risk.
  - b) Foreign exchange speculation.
  - c) Acceptance of foreign exchange risk.
  - d) Foreign exchange arbitrage.
7. Who among the following developed the Purchasing Power Parity Theory ?
- a) Marshall Lerner.
  - b) Gustav Cassel.
  - c) David Ricardo.
  - d) Adam Smith.
8. In case of H-O theorem, the most important cause of the difference in relative commodity prices and trade between nations is :
- a) Technology.
  - b) Innovation.
  - c) Factor endowments.
  - d) Foreign demand.
9. The market for foreign currencies is called :
- a) Capital market.
  - b) Foreign exchange market.
  - c) Stock market.
  - d) Goods market.
10. \_\_\_\_\_ is known as the Paper Gold.
- a) US Dollar.
  - b) Cheque.
  - c) Demand draft.
  - d) Special Drawing Right.
11. International trade is based on the idea that :
- a) Exports should exceed imports.
  - b) Imports should exceed exports.
  - c) Resources are less mobile internationally than are goods.
  - d) Resources are more mobile internationally than are goods.

12. Identify the correct statement/s related to Leontiefs paradox:

Statement I : Leontiefs paradox undermined the validity of the H-O theory.

Statement II: In 1953, Leontief found that the United States exported commodities that were more capital intensive than labour intensive

- a) Statement I alone is correct.                      b) Statement II alone is correct.  
c) Statements I and II are correct.                d) Statements I and II are incorrect.

(12 × ½ = 6 marks)

**Part B (Very Short Answer Questions)**

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

13. Define gains from trade.  
14. What do you mean by international economics ?  
15. What is meant by foreign exchange ?  
16. What is currency convertibility ?  
17. What is Tariff ?  
18. Define Speculation.  
19. What do you mean by anti-dumping duty ?  
20. Differentiate between spot market and forward market.  
21. Define Mercantilism.  
22. What is meant by terms of trade ?  
23. Distinguish between FDI and FPI.  
24. What is meant by managed floating ?

(10 × 2 = 20 marks)

**Part C (Short Essay Type Questions)**

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

25. Explain the meaning and functions of foreign exchange market.  
26. Prepare a note on tariff and non-tariff trade barriers.

**Turn over**

27. What do you mean by hybrid exchange rate systems ?
28. Point out arguments for and against free trade.
29. Differentiate between balance of trade and balance of payments.
30. Examine Ricardian theory of comparative cost advantage.
31. *The principal function of the IMF is to supervise the international monetary system. Explain.*
32. Discuss the importance of international trade.

(6 × 5 = 30 marks)

**Part D (Essay Type Questions)**

*Answer any two questions.*

*Each question carries 12 marks.*

33. Explain Heckscher-Ohlin theorem of international trade and Leontief Paradox.
34. What is meant by BoP disequilibrium ? Explain various measures to correct BoP disequilibrium.
35. What is meant by economic integration ? Discuss any four types of economic integration.
36. Explain the Purchasing Power Parity theory of exchange rate determination.

(2 × 12 = 24 marks)