

**Vidya Vikas Mandal's**  
**Shree Damodar College of Commerce & Economics, Margao-Goa**  
**TY B.Com, Semester-VI(CBCS) Repeat Semester End Examination, November 2022**  
**International Economics (CC 18)**

**Duration: 2hrs****Max Marks: 80****Instructions:**

- 1) Start each question on fresh page.
- 2) All questions are compulsory.
- 3) Figures to the right indicate maximum marks.
- 4) Answer sub-questions in question number 1 and 2 each in not more than 100 words.
- 5) Answer question number 3 to 6 each in not more than 400 words.

Q.1) Answer ANY FOUR of the following.

(4x4=16)

- a) Explain the Heckscher-Ohlin theorem.
- b) Explain the Net Barter terms of trade.
- c) State and explain any two gains from international trade.
- d) Briefly explain the importance of free trade.
- e) State and explain any four features of the foreign exchange market.
- f) Explain cyclical disequilibrium.

Q.2) Answer ANY FOUR of the following.

(4x4=16)

- a) Explain any two measures to correct the disequilibrium in the Balance of Payments.
- b) Differentiate between the Spot and Forward Rate of foreign exchange transactions.
- c) What do you mean by convertibility of rupee on capital account?
- d) What is Foreign Portfolio Investment?
- e) State and explain any two features of multinational corporations.
- f) Explain any two determinants of Foreign Direct Investment.

Q.3 a) Answer the following:

- i) Technological Gap Model
- ii) Intra-industry trade

(2 x 6 = 12)

**OR**

Q.3 b) Explain exchange control, countervailing and anti-dumping duties and voluntary export restraints as non-tariff barriers.

(12)

Q.4 a) Explain the meaning and structure of the balance of payment schedule.

(12)

**OR**

Q.4 b) Explain the Fixed and Managed Floating exchange rate systems.

(12)

Q.5 a) Explain the arguments in favour of Protectionism. (12)

**OR**

Q.5 b) Explain the causes of disequilibrium in the Balance of Payments. (12)

Q.6 a) Briefly explain any three entry modes adopted by multinational corporations. (12)

**OR**

Q.6 b) Explain any six determinants of Foreign Portfolio investment. (12)