

B.Com. (Semester – V) Examination, April 2018
INTERNATIONAL ECONOMICS (New Course)

Duration : 2 Hours

Total. Marks : 80

Instructions : i) **All questions are compulsory**, however internal choice is available.

ii) Answer sub-questions in Question. 1 and Question 2 in **not more than 100 words each**.

iii) Answer to Question. 3 to Question 6 must be of approximately **400 words each**.

iv) Figures to the **right** indicate **maximum** marks assigned to the question.

v) Start **each** question on a **fresh** page.

1. Answer **any four** of the following in approximately **100 words each**. **16**

- i) State and explain any two gains from International Trade.
- ii) Briefly explain any two advantages of free trade.
- iii) Comment on any two non-tariff barriers of protection.
- iv) Write a note on foreign institutional investors and their operations.
- v) Briefly explain any two determinants of foreign direct investment.
- vi) Describe any two disadvantages of licensing.

2. Answer **any four** of the following in approximately **100 words each**. **16**

- i) Explain any two types of disequilibrium in balance of payments.
- ii) Write two points each on current and capital account of balance of payments.
- iii) Comment on any two functions of the foreign exchange market.
- iv) Describe any two measures to correct disequilibrium in balance of payments.
- v) Write a note on multilateralism and regionalism.
- vi) Explain any two principles of the World Trade Organisation.



3. A) Discuss the various factors giving rise to International Trade. 12

OR

B) Explain any six arguments in favour of the Protectionist Trade Policy. 12

4. A) Discuss any four modes of entry of multinational corporations. 12

OR

B) What is foreign portfolio investment ? Briefly discuss the determinants of FPI. 12

5. A) What is balance of payments ? Enumerate any five causes of disequilibrium in the balance of payments of a country. 12

OR

B) Explain the term rate of exchange and discuss any five factors influencing exchange rates. 12

6. A) State and explain the various agreements of the World Trade Organisation. 12

OR

B) Elucidate the meaning of regional economic cooperation and discuss its forms. 12
