Register Number:

**DATE: 13-04-2019**

**ST JOSEPH’S COLLEGE (AUTONOMOUS),BANGALORE - 27**

**B.Sc. ECONOMICS-IVSEMESTER**

**SEMESTER EXAMINATION- APRIL-2019**

**ECS4118: International Economics**

### Duration: 1.5 Hours Max Marks: 35

**This question paper has 1 printed page and 3 parts**

**PART A**

**Answer any FIVE of the following questions 5x2=10**

**1.** Define commodity terms of trade. Illustrate with an example.

2. State the Rybczynski theorem.

3. Explain the Stolper-Samuelson theorem.

4. Distinguish between spot and forward exchange rates.

5. Mention four reasons for the failure of the Gold Standard.

6. State any two functions of the World Trade Organisation.

**PART B**

**Answer any THREE of the following questions 3x5=15**

7. “Differences in comparative cost account for the existence of internationaltrade”. Illustrate with examples.

8.Derive and interpret the Marshall-Lerner Condition.

9.Explainand interpret the purchasing power parity theory of exchange rate with the case of hyperinflation in Venezuela.

10.Discuss the role of International Monetary Fund in international trade.

**PART C**

**Answer any ONE of the following questions 1x10=10**

11. Critically examine the Heckscher-Ohlin model of international trade.

12. Under partial equilibrium analysis, compare the welfare effect of tariff and quota for a small country.

**ECS4118\_A\_19**