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

**DATE: 13-04-2019**

**B.Sc. ECONOMICS – IV SEMESTER**

**SEMESTER EXAMINATION: APRIL 2017**

**ECS 416: International Economics**

**Time-1 ½ hrs Max Marks-35**

**This paper contains ONE printed page and THREE parts**

**PART A Answer any FIVE of the following 3 X5 =15**

1. Distinguish between comparative advantage and absolute advantage.
2. Define PPF. What will be the shape of the PPF under increasing opportunity cost?
3. What is an offer curve?
4. Explain the Leontief paradox.
5. State the Rybczynski’s theorem.
6. Distinguish between tariff and quota.
7. What is Bretton Woods system?

**PART B Answer any ONE of the following 5X 1 = 5**

1. Write a note on elasticity of the offer curve.
2. State the assumptions and prove the Heckscher Ohlin theory using physical definition of factor abundance.

**PART B Answer any ONE of the following 15X 1 =5**

1. Discuss the impact of tariff and quota on a small country. Which policy is better among these two in improving welfare? Explain.
2. What is the difference between depreciation and devaluation? Why a country devalues its currency? Is it always effective? Justify your answer.

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