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Reg. No. :

Name :

Fourth Semester M.A. Degree Examination, March 2021

Economics

EC 242 – INTERNATIONAL ECONOMICS - II

(2013-17 Admissions)

Time : 3 Hours

Max. Marks : 75

PART – I

Answer **all** questions from this part. Explain the following in one or two sentences.

1. Hedging
2. Optimum currency area
3. BOP
4. Speculation
5. SDR
6. External balance
7. Foreign Trade Multiplier



P.T.O.

8. National Income
9. Real Exchange Rate
10. International liquidity

(10 × 1 = 10 Marks)

PART – II

Answer any **seven** questions. Each answer should not exceed 500 words

11. Critically explain the purchasing power parity theory.
12. What is arbitrage? Explain its various types.
13. Describe the major functions of the foreign exchange market.
14. Analyses the elasticity approach to BOP.
15. What do you mean by Marshall-Lerner condition?
16. What are the various arguments for an against flexible exchange rates?
17. What are the key elements of Bretton Wood system?
18. What are the major functions of IBRD?
19. Trace the recent changes in India's external economic relation.
20. Explain the working and regulations of MNCs in India.

(7 × 5 = 35 Marks)



PART– III

Answer any **three** questions. Each answer should not exceed **1200** words.

21. Explain the impact of globalization in the Indian economy.
22. Discuss the recent changes in the direction and composition of trade in India.
23. Explain the role of International financial institution in Third World Countries.
24. Evaluate the impact of new economic policies on BOP.
25. Examine the changes in the composition and direction of trade in India since 1991.

(3 × 10 = 30 Marks)

