K25P 0812

Reg. No. : ....

Name : ....

IV Semester M.A. Degree (C.B.C.S.S.-OBE-Regular) Examination, April 2025 (2023 Admission)
APPLIED ECONOMICS/DEVELOPMENT ECONOMICS
MADCO04E07/MAACO04E07 : International Trade Theories and Policies

Time : 3 Hours Max. Marks : 60

PART – A

Short Answer questions (**5** out of 6) : **(5×3=15)**

1. Explain the significance of optimum tariff in international trade.
2. Illustrate the concept of the trade multiplier with an example.
3. Differentiate between factor intensity in labour-intensive and capital-intensive goods.
4. Explain the concept of intra-industry trade with an example.
5. Define currency swap and describe its role in international financial markets.
6. Identify the key features of a common market and its benefits to member countries.

PART – B

Short Essay Questions (**3** out of 5) : **(3×6=18)**

7. Analyse the concept of immiserizing growth theory and discuss its implications for economic development.
8. Examine the different types of terms of trade and their relevance to export-import decisions.
9. Discuss the role of the IBRD in promoting economic development across nations.
10. Evaluate the static and dynamic effects of a customs union on member countries.
11. Explain purchasing power parity theory.

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PART – C

Essay Questions (**3** out of 5) : **(3×9=27)**

12. Evaluate the advantages and disadvantages of FDI from the perspectives of both host and home countries.

13. Explain the functions of the foreign exchange market and analyse the roles of its participants in ensuring market efficiency.

14. Discuss the concept of non-tariff trade barriers, their types, and their impact on global trade.

15. Explain the Swan Model, emphasizing its application in achieving internal and external economic balance.

16. Analyse the role of the IMF in maintaining global financial stability and providing assistance to member countries.