

PG Even Semester (CBCS) Exam., May—2017

COMMERCE

(4th Semester)

Course No. : COMCC-402

(International Business)

Full Marks : 70

Pass Marks : 28

Time : 3 hours

*The figures in the margin indicate full marks
for the questions*

Answer **five** questions, taking **one** from each Unit

UNIT—I

1. Discuss critically the factor-price equilization theorem. 14
2. Critically examine the Heckscher-Ohlin theorem of International Trade. Is this theory supported by empirical evidences? Give your view over the matter and also justify. 10+4=14

UNIT—II

3. Discuss the various grounds on which protection as a trade policy is justified by the developing countries. 14
4. Explain fully the effective rate of tariff and optimum tariff. Show the importance of these two concepts in the theory of trade policy. 9+5=14

UNIT—III

5. Explain purchasing power parity theory of foreign exchange rate. Why has interest rate parity theory gained importance in recent time? Put forward and also justify your views in this regard. 10+4=14
6. What do you understand by 'fundamental disequilibrium' with reference to the balance of payments (BoPs)? Describe remedies to correct it. 6+8=14

UNIT—IV

7. Enumerate the purpose of European common market. Why did 'Brexit' situation arise in European Union (EU) recently? Explain. 7+7=14

(3)

8. Discuss the role of International Development Agency (IDA) in promoting the economic development of world's less developed countries. 14

UNIT—V

9. Define Multinational Corporations (MNCs). Also discuss their major merits and demerits. 4+10=14

10. Write short notes on any *two* of the following : 7×2=14

- (a) Code of Conduct for Multinational Corporations
(b) Indian Multinational Corporations
(c) Transnationality Index

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