

2011

Time : 3 hours

Full Marks : 80

Candidates are required to give their answers in their own words as far as practicable.

The figures in the margin indicate full marks.

Answer from both the Groups as directed.

Group – A

(Objective Type Questions)

Answer all questions.

1. Choose the correct answer of the following :

2×10 = 20

(a) The IDA was set up in :

(i) 1965

(ii) 1960

(iii) 1975

(iv) 1955

(b) FEMA stands for :

- (i) Foreign Exchange Momentary Association
- (ii) Foreign Exchange Management Association
- (iii) Both (i) and (ii)
- (iv) None of the above

(c) The main function of the IMF is to provide :

- (i) International liquidity to member countries
- (ii) National liquidity to member countries
- (iii) Both (i) and (ii)
- (iv) None of the above

(d) LAFTA stands for :

- (i) Latin American Free Trade Area
- (ii) Latin African Free Trade Area
- (iii) Both (i) and (ii)
- (iv) None of the above

(e) The IMF combines :

- (i) Three Major Function
- (ii) Two Major Function
- (iii) Four Major Function
- (iv) Six Major Function

(f) The International Development Association (IDA) provides :

- (i) Soft Loan
- (ii) Hard Loan
- (iii) Both (i) and (ii)
- (iv) None of the above

(g) ASEAN means :

- (i) Association of South East African Nations
- (ii) Association of South East Asian Nations
- (iii) Both (i) and (ii)
- (iv) None of the above

(h) A capital inflow represents :

- (i) A debit
- (ii) A credit
- (iii) Both (i) and (ii)
- (iv) None of the above

(i) The export policy formed on the basis of :

- (i) The Import Promotion Measures

- (ii) The Export Promotion Measures
 - (iii) Both (i) and (ii)
 - (iv) None of the above
- (j) The capital account consists of :
- (i) Short-term capital transactions
 - (ii) Long-term capital transactions
 - (iii) Short-term and Long-term capital transactions
 - (iv) None of the above

Group – B

(Long-answer Type Questions)

Answer any **four** of the following : $15 \times 4 = 60$

2. Write notes on any **two** of the following :
- (a) SAARC-South Asia Association of Regional Cooperation
 - (b) ASEAN-Association of South East Asian Nations
 - (c) ADB-Asian Development Bank
 - (d) UNCTAD-United Nations Conference on Trade and Development
3. Give the salient features of GATT ? What is the objective and achievements of GATT ?

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4. Define International Business in the context of the Era of Globalization.
 5. Define International Trade. What are the gains from International Trade ?
 6. State and explain David Ricardo's Theory of Comparative Cost. Does this theory give a full and satisfactory account of International Trade ?
 7. Describe Asian Development Bank (ADB) ? What is the objectives and functions of ADB ?
 8. What is foreign exchange system ? Explain the arguments for and against fixed and floating exchange rate.
 9. What are the salient features of International Monetary Fund (IMF) ? What are the purpose and functions of the IMF ?
 10. What is MNC's ? Discuss the role that they play in the economy of a nation and argue their indispensability.

