

STELLA MARIS COLLEGE (AUTONOMOUS) CHENNAI – 86

(For candidates admitted from the academic year 2019 – 2020)

SUBJECT CODE: 19EC/MC/IN65

B. A. DEGREE EXAMINATION, APRIL 2022

BRANCH IV - ECONOMICS

SIXTH SEMESTER

COURSE : MAJOR CORE

PAPER : INTERNATIONAL ECONOMICS

TIME : 3 HOURS

MAX. MARKS : 100

SECTION – A

ANSWER ANY TEN QUESTIONS. EACH ANSWER NOT TO EXCEED 50 WORDS.

(10 X 2= 20)

1. What is customs union? Give an example.
2. List out three objectives of the World Bank.
3. Distinguish between balance of trade and balance of payments.
4. What are offer curves?
5. Explain absolute cost advantage with a suitable example.
6. Distinguish between the spot and the forward foreign exchange markets.
7. State the factor price equalization theorem.
8. What is devaluation?
9. Define dumping and state the different types of dumping
10. State the labour theory of value.
11. Define income elasticity of demand for imports.
12. Define optimum tariff. How is it calculated?

SECTION – B

ANSWER ANY FIVE QUESTIONS. EACH ANSWER NOT TO EXCEED 400 WORDS.

(5 X 8 = 40)

13. Bring out the superiority of the reciprocal demand theory over the comparative cost theory.
14. What are the various factors that influence the terms of trade of a country?
15. Show how Leontief disproved the applicability of the Heckscher-Ohlin theory to the United of America.
16. Economic integration is beneficial to the member nations. Elucidate.
17. 'Import tariffs are superior to import quotas'. Validate the given statement.
18. Why are owners of the abundant factor of production proponents of free trade?
19. Discuss the various arguments in favour of a protectionist trade policy.
20. Give a brief overview of the different measures to reduce the disequilibrium in the balance of payments

SECTION – C

ANSWER ANY TWO QUESTIONS. EACH ANSWER NOT TO EXCEED 1000 WORDS.

(2 X 20 = 40)

21. Critically analyze the Heckscher-Ohlin theory of international trade.
22. Compare and contrast the theory of customs union given by Viner and Linder.
23. Examine the impact of economic growth on international trade.
24. Explain the objectives and functions of the WTO. How far has the WTO been successful in promoting international trade?
