

STELLA MARIS COLLEGE (AUTONOMOUS) CHENNAI – 86
(For candidates admitted during the academic year 2011-12 & thereafter)

SUBJECT CODE: 11EC/PC/IT24

M. A. DEGREE EXAMINATION, APRIL 2013
BRANCH III – ECONOMICS
SECOND SEMESTER

COURSE : CORE
PAPER : INTERNATIONAL TRADE
TIME : 3 HOURS

MAX. MARKS: 100

SECTION – A

ANSWER ANY FIVE QUESTIONS. EACH ANSWERS NOT TO EXCEED 300 WORDS.
(5 X 8 = 40)

1. Explain Adam Smith's theory of Absolute Cost Differences.
2. Explain the Imitation Gap theory of International Trade.
3. State the theory of Immiserising Growth.
4. Give arguments in support of the Policy of Protection.
5. What are the causes of disequilibrium in the balance of payments?
6. What are the factors influencing the foreign exchange rates.
7. What were the main objectives behind the establishment of the IMF?

SECTION – B

ANSWER ANY THREE QUESTIONS. EACH ANSWERS NOT TO EXCEED 1200 WORDS.
(3 X 20 = 60)

8. State and explain the Heckscher - Ohlin theory of international trade.
9. Discuss the deterioration of the secular terms of trade argument as promulgated by Singer and Prebisch.
10. Explain the welfare implications of quotas and tariffs in the case of small and large countries.
11. Critically discuss the monetary approach to the Balance of payments problem.
12. Discuss the functions of the WTO. Explain the impact TRIPS has made on trade.
