

STELLA MARIS COLLEGE (AUTONOMOUS) CHENNAI – 86
(For candidates admitted from the academic year 2008 – 2009)
SUBJECT CODE: EC/MC/IT64

B. A. DEGREE EXAMINATION, APRIL 2011
BRANCH IV - ECONOMICS
SIXTH SEMESTER

COURSE : MAJOR – CORE
PAPER : INTERNATIONAL ECONOMICS
TIME : 3 HOURS **MAX. MARKS: 100**

SECTION – A

ANSWER ALL QUESTIONS. EACH ANSWER NOT TO EXCEED 50 WORDS:
(10x3=30)

1. What is the need for international trade?
2. What is comparative cost?
3. What are the distinct features of international transaction?
4. Write short notes of SDRs?
5. What is dumping?
6. What is Euro –Dollar market?
7. What do you mean by terms of trade?
8. What is balance of payment?
9. What is meant by international liquidity?
10. What do you mean by free trade?

SECTION – B

ANSWER ANY FIVE QUESTIONS. EACH ANSWER NOT TO EXCEED 300 WORDS: **(5 x 6 = 30)**

11. What is the difference between pure and monetary theory of international trade?
12. Discuss how the foreign trade multiplier works.
13. Explain main features of WTO? How does it differ from GATT?
14. Briefly state the lending operations of IBRD.
15. Explain the working and economic consequences of Euro – dollar market?
16. Discuss the factors, which determine the terms of trade?
17. Critically discuss the monetary approach to balance of payments problem?

SECTION – C

ANSWER ANY TWO QUESTIONS. EACH ANSWER NOT TO EXCEED 1200 WORDS: **(2 X 20 = 40)**

18. Discuss the Hecksher – Ohlin theory of international trade. To what extent is it superior to the classical theory of international values?
19. Critically discuss Adam Smith theory of comparative costs?
20. Outline the objectives and functions of the IMF and explain the benefits, which have followed to India for being its member?
21. Explain the various measures for making adjustments in balance of payments?
