

STELLA MARIS COLLEGE (AUTONOMOUS) CHENNAI – 86
(For candidates admitted during the academic year 2008– 09 & thereafter)

SUBJECT CODE: EC/PC/IT25

M. A. DEGREE EXAMINATION, APRIL 2009
BRANCH III – ECONOMICS
SECOND SEMESTER

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

SECTION – A

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

1. Discuss the effect of factor endowment changes on international trade.
2. What are the conditions that are essential for producing the case of Immiserising Growth.
3. What are Tariffs? Explain the countervailing duty.
4. Distinguish between adjustable peg and crawling peg.
5. Briefly explain any three facilities of lending available to members of International Monetary Fund.
6. What is the generalized system of preferences (GSP) of UNCTAD.
7. Give a brief description of the achievements of the Uruguay round of the GATT.

SECTION – B

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

8. State and explain the Heckscher – Ohlin theory of international trade and the conditions underlying it.
9. What do you mean by a customs union? Analyse its effect in terms of the general equilibrium approach.
10. Critically discuss the monetary approach to the balance of payments problem.
11. Critically examine the Purchasing Power Parity Theory of exchange rate.
12. What is Euro-dollar market? Explain its working and economic consequences.
