

SHRIMATHI DEVKUNVAR NANALAL BHATT VAISHNAV COLLEGE FOR WOMEN
(AUTONOMOUS)

(Affiliated to the University of Madras and Re-accredited with 'A+' Grade by NAAC)

Chromepet, Chennai - 600 044.

M.A. Economics - END SEMESTER EXAMINATIONS - APRIL 2025

SEMESTER - IV

22PECCT4014 - International Economics

Total Duration : 2 Hrs. 30 Mins.

Total Marks : 60

Section B

Answer any **SIX** questions ($6 \times 5 = 30$ Marks)

1. Explain the concept of comparative advantage in international trade.
2. Describe how non-tariff barriers can be used as a form of protectionism, and what are the consequences for global trade.
3. Predict the relationship between exchange rates and capital account balances.
4. Apply the concept of optimum currency areas to evaluate the suitability of a currency union.
5. What is the role of the Bretton Woods system in shaping the current global monetary framework?
6. Predict how the offer curve is used to determine the terms of trade between two countries.
7. Relate the effects of import quotas on domestic prices and consumer welfare?
8. Examine the overall impact of India's Foreign Trade Policy 2015-2020 on the country's export growth, foreign relations, and integration into the global economy.

Section C

I - Answer any **TWO** questions ($2 \times 10 = 20$ Marks)

9. Explain the key elements of the Heckscher-Ohlin theory of international trade.
10. Apply the Stolper-Samuelson theorem to analyze the impact of a tariff on income distribution in a labor-abundant country.
11. Determine the effectiveness of the monetary portfolio balance approach in predicting exchange rate movements during an economic crisis.
12. Ascertain the role of the European Monetary Union in promoting economic stability and external balance among its member states.

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II - Compulsory question (1 × 10 = 10 Marks)

13. Examine the goals of the IMF, particularly in terms of promoting global financial stability, and evaluate the effectiveness of Special Drawing Rights (SDRs) in enhancing international liquidity.
