

**LOYOLA COLLEGE (AUTONOMOUS), CHENNAI – 600 034**



**B.A.DEGREE EXAMINATION –ECONOMICS**

**FIFTH SEMESTER – APRIL 2018**

**EC 5505– INTERNATIONAL ECONOMICS**

Date: 30-04-2018  
Time: 09:00-12:00

Dept. No.

Max. : 100 Marks

**PART-A**

**Answer any FIVE questions in about 75 words each:**

**(5×4=20 marks )**

1. State the importance of international trade.
2. Mention the assumptions of Ricardian theory of comparative cost advantage.
3. Distinguish between Net and Gross Barter Terms of Trade.
4. What do you mean by Real cost terms of trade?
5. What are the objectives of IMF?
6. Differentiate between GATT and WTO.
7. Explain the concept of an optimum tariff.

**PART-B**

**Answer any FOUR questions in about 250 words each:**

**(4×10=40 marks)**

8. Distinguish between international and domestic trade.
9. Examine the classical theory of international trade from the view point of Least Developed Countries.
10. Write notes on: a) Double Factoral Terms of Trade and b) Single Factoral Terms of Trade.
11. Give arguments in support of flexible exchange rates.
12. Explain Purchasing Power Parity Theory.
13. List out the salient features of recent export and import policy.
14. Examine the basis for international trade.

**PART-C**

**Answer any TWO questions in about 900 words each:**

**(2×20=40 marks)**

15. Critically examine the view that trade results from differences in the factor endowments of various countries.
16. What do you mean by terms of trade? Explain the factors affecting terms of trade.
17. What are the features of India's exchange rate policy? Explain the need for RBI'S intervention in the foreign exchange market.
18. Make a critical appraisal of the working of the World Bank.

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