



LOYOLA COLLEGE (AUTONOMOUS), CHENNAI – 600 034

B.A. DEGREE EXAMINATION – ECONOMICS

FIFTH SEMESTER – NOVEMBER 2017

EC 5505 – INTERNATIONAL ECONOMICS

Date: 03-11-2017

Dept. No.

Max. : 100 Marks

Time: 09:00-12:00

PART-A

Answer any FIVE questions in about 75 words each: (5×4=20 marks)

1. State the advantages of international trade.
2. In what respects H-O theory of international trade is superior to classical theory?
3. What do you mean by optimum tariff? Explain.
4. What are the features of India's exchange rate policy?
5. State the objectives of IMF.
6. Mention any four arguments in favour of free trade.
7. What are the factors that determine the gains from trade?

PART-B

Answer any FOUR questions in about 250 words each: (4×10=40 marks)

8. What is meant by international trade? Explain the reasons for international trade.
9. Examine the classical theory of international trade from the view point of LDCs.
10. Distinguish between Net and Gross terms of trade.
11. Explain the composition of India's foreign trade.
12. Briefly explain Purchasing Power Parity Theory.
13. Point out the salient features of recent export-import policy.
14. "International trade is but a special case of inter-local or inter-regional trade".
Explain.

PART-C

Answer any TWO questions in about 900 words each: (2×20=40 marks)

15. Critically examine Ricardian theory of international trade.
16. What do you mean by terms of trade? Discuss the factors which determine the terms of trade.
17. Do you favour flexible or fixed exchange rates? Give reasons in support of your answer
18. Make a critical appraisal of the working of the World Bank.
