



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

**B.A. DEGREE EXAMINATION – ECONOMICS**

**FIFTH SEMESTER – NOVEMBER 2018**

**EC 5505/EC 5501 – INTERNATIONAL ECONOMICS**

Date: 25-10-2018

Dept. No.

Max. : 100 Marks

Time: 09:00-12:00

**PART – A**

(5 X 4 = 20 Marks)

Answer any FIVE of the following. Each answer should not exceed 75 words.

1. Mention the reasons for International Trade.
2. Define terms of trade.
3. What is meant by Free Trade?
4. Define Foreign Exchange Rate.
5. What do you mean by Flexible Exchange Rate?
6. What is Optimum Tariff?
7. How is Protection used in International Trade?

**PART B**

(4 X 10 = 40 Marks)

Answer any FOUR of the following each answer should not exceed 250 words.

8. Explain the factors which determine the terms of trade.
9. Give an account of the composition and direction of Foreign Trade in India.
10. Describe the gains arising out of International Trade.
11. Distinguish between Domestic Trade and International Trade.
12. Explain the functions of IBRD.
13. Describe the Purchasing Power Parity Theory of exchange rates.
14. What are the advantages of a Flexible Exchange Rate?

**PART C**

(2 X 20 = 40 Marks)

Answer any TWO of the following. Each answer should not exceed 900 words.

15. Explain the various types of Terms of Trade.
16. Critically examine the Modern Theory of International Trade.
17. Discuss the Role of IMF in International Trade.
18. Explain the Objectives and Functions of World Trade Organisation.

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