

REDEEMER'S UNIVERSITY



km 46/48 Lagos –Ibadan Expressway, Redemption City, Ogun State

COLLEGE OF MANAGEMENT SCIENCES

DEPARTMENT OF ECONOMICS AND BUSINESS STUDIES

COURSE CODE /TITLE INTERNATIONAL ECONOMICS I (BUS 414)

SECOND SEMESTER EXAMINATIONS

2015/2016 SESSION

INSTRUCTIONS ON CHOICE OF QUESTIONS TO BE ANSWERED

ANSWER ANY FOUR QUESTIONS

TIME ALLOWED 2 HOURS



1. (a) Distinguish between Gross Barter Terms of Trade and Barter Term of Trade. (9 Marks)
(b) Discuss the factors which determine the terms of Trade. (6 Marks)
2. (a) Explain the relationship between Opportunity Cost theory and the Comparative Advantage theory (8 Marks)
(b) How does the Production Possibility Frontier look under constant opportunity cost explain the theory of Comparative? (7 Marks)
3. (a) State the assumptions of the Heckscher-Ohlin theory. (5 Marks)
(b) Explain the meaning and importance of each of these assumptions (10 Marks)
4. Write short notes on the following
 - (a) Factor Intensity (3 Marks)
 - (b) Factor Abundance (3 Marks)
 - (c) Factor Price Equalization (3 Marks)
 - (d) Production Possibility Frontier (3 Marks)
 - (e) Factor Intensity Reversal (3 Marks)
5. With the aid of appropriate diagram, explain the effect of tariff on small Nation Under partial equilibrium analysis. (15 Marks)
6. Explain the functions and importance of International Monetary Fund (IMF) to Developing Countries (15 Marks)

(15 Marks)