

University of Lisbon Law School
EXAM - International Economy – 2015/2016

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I.

Answer **only 3** of the following questions (each, 4 points)

- A) Explain the main characteristics of the historical economic school of thought known as “mercantilism”.
- *Contextualize question in the appropriate historical period*
 - *List the main characteristics of mercantilism, with special focus on importance of gold/silver (how to measure wealth), need to curtail imports, incentives to export and incentives to internal production and industrialization*
- B) What was the “golden standard” in the monetary system and how did it function?
- *Contextualize question in the appropriate historical period*
 - *Explain the functioning of the gold standard and its connection to the USD*
 - *Mention the end of the system and its reason*
- C) Distinguish “greenfield” and “brownfield” investments.
- *Contextualize question within issues of foreign direct investment*
 - *Explain concept of greenfield investment*
 - *Explain concept of brownfield investment*
- D) What is “dumping” in international trade?
- *Briefly distinguish dumping in other contexts (common language, competition law, practices in restriction of trade)*
 - *Explain fundamental requisites of dumping in international trade law*

II.

Explain the stages of economic integration which the European Community (now European Union) went through, since its creation, and the impact its current stage of economic integration has on international trade for the Member States. (8 points)

- *Mention the 4 stages of economic integration*
- *Identify the stages which the EU went through and describe their characteristics*
- *Describe in detail the impact of an Economic and Monetary Union on international trade, mentioning, namely:*
 - *The joint representation of the EU in international trade negotiations (common commercial policy);*
 - *The incentive for greater development of international trade within the common market;*
 - *The loss of currency depreciation as a possible weapon in international trade for individual Member States;*
 - *The common agricultural policy and its impact on international trade.*