



MONDAY 13th NOVEMBER – AFTERNOON

ECONOMICS OF SEA TRANSPORT AND INTERNATIONAL TRADE

Time allowed – three hours

Answer any FIVE questions – all questions carry equal marks

Please read the questions carefully before answering

1. What role does seaborne trade play in global economic growth and development?
2. Examine the critical role of ports in the global transport system.
3. Explain the **FIVE** main arguments in support of protectionism.
4. Analyse the factors that affect the relationship between costs and shipping output.
5. What effect do high transport costs have on imports? Use suitable diagrams to support your answer.
6. Explain why the dry and tanker markets are referred to as 'perfectly competitive.'
7. What are the major factors that influence a lay-up decision and comment on the costs incurred when a vessel is laid up.
8. Explain how the rate of exchange between international currencies is determined. Use a graph to support your answer.