

**SIXTH SEMESTER B.Sc. DEGREE EXAMINATION, APRIL 2025**

**(Regular/Improvement/Supplementary)**

**ECONOMICS & MATHEMATICS (DOUBLE MAIN)**

**GDEC6B09T: INTERNATIONAL ECONOMICS**

**Time: 2 Hours**

**Maximum Marks: 60**

**SECTION A: Answer the following questions. Each carries *two* marks.  
(Ceiling 20 marks)**

1. Write a note on ad-valorem tariff.
2. What is an official reserve account?
3. Define depreciation.
4. What is mint parity?
5. State the functions of the foreign exchange market.
6. Differentiate between internal and international trade.
7. What is the Leontief paradox?
8. Mention the major advantages of free trade.
9. Differentiate between FDI and FPI.
10. What do you mean by dumping?
11. Define the balance of payment.
12. What are the debit transactions in BoP?

**SECTION B: Answer the following questions. Each carries *five* marks.  
(Ceiling 30 marks)**

13. What do you mean by non-tariff trade barriers?
14. Critically examine the purchasing power parity theory of exchange rate.
15. Discuss the asset market model.
16. Give an account on the Stolper-Samuelson theorem.
17. Explain different stages of economic integration.
18. Examine the absolute cost advantage theory.
19. What are the measures to correct the deficit in BoP?

**SECTION C: Answer any *one* question. The question carries *ten* marks.**

20. Explain how the Heckscher-Ohlin theorem explains the basis of international trade.
21. Critically examine the monetary approach to the exchange rate determination.

**(1 × 10 = 10 Marks)**