

**BACHELOR'S DEGREE (C.B.C.S) EXAMINATION, MARCH 2025**  
**2018, 2019, 2020, 2021 ADMISSIONS SUPPLEMENTARY**  
**SEMESTER VI - CORE COURSE (ECONOMICS )**  
**EC6B14B18 - International Economics**

Time : 3 Hours

Maximum Marks : 80

**Part A**

**I. Answer any Ten questions. Each question carries 2 marks****(10x2=20)**

1. What is real cost terms of trade?
2. What is income terms of trade?
3. Briefly explain the two distinct parts of international economics.
4. What is the pattern of trade under Heckscher – Ohlin model?
5. What are the monetary measures for correcting disequilibrium in BOP?
6. Explain monetary measures to correct BoP.
7. What is foreign exchange?
8. What is forward market?
9. What is a European option?
10. What is fixed exchange rate?
11. Define Protection.
12. Define Tariff.

**Part B**

**II. Answer any Six questions. Each question carries 5 marks****(6x5=30)**

13. Diagrammatically explain Community indifference curve.
14. Describe internal trade.
15. What are the different advantages from trade?
16. Differentiate between current account and capital account.
17. Write a short note on balance of payment disequilibrium.
18. Distinguish between swap operation and arbitrage.
19. What are the arguments in favour of fixed exchange rate?
20. Outline the features of the European Union.
21. Examine the salient features of Uruguay round.

**Part C**

**III. Answer any Two questions. Each question carries 15 marks****(2x15=30)**

22. Critically examine opportunity cost theory.
23. Describe the concept of devaluation and explain the significance of J curve effect.
24. Explain the balance of payment theory of foreign exchange.
25. Explain the objectives functions role and importance of the Brettonwoods twins.