2019/TDC/ODD/SEM/ECODSC/ ECOGE–301T/067

TDC (CBCS) Odd Semester Exam., 2019

ECONOMICS

(3rd Semester)

Course No. : ECODSC/ECOGE–301T

(Core Economics III : Principles of Macroeconomics—I)

Full Marks : 70

Pass Marks : 28

Time : 3 hours

The figures in the margin indicate full marks for the questions

Answer **all** questions

UNIT—I

1. Answer any *four* of the following questions :

1×4=4

(a) Define macroeconomics.

(b) Write the names of any two macroeconomic variables.

15.

(c) What are the types of circular flow of income?

(d) Write any one limitation of macro-economics.

(e) What are 'leakages' from the circular flow of income?

2. Answer any *one* of the following questions : 2

(a) What are the different phases of circular flow of income?

(b) Define stock and flow concepts in macroeconomics.

3. Answer any *one* of the following questions : 8

(a) Explain the nature and scope of macroeconomics. 4+4=8

(b) Explain the circular flow of income in a two-sector economy with the help of a diagram. 8

UNIT—II

4. Answer any *four* of the following questions : 1×4=4

(a) What is national income?

(b) What is nominal income?

(c) Define GDP deflator.

(d) What is per capita income?

(e) Write any one importance of national income analysis.

5. Answer any *one* of the following questions : 2

(a) Write any two limitations of national income analysis.

(b) Define the concept of factor cost and market price in national income accounting.

6. Answer any *one* of the following questions : 8

(a) Define the following : 2×4=8

(i) Gross domestic product (GDP)

(ii) Gross national product (GNP)

(iii) Net national product (NNP)

(iv) Personal disposable income (PDI)

(b) Briefly explain the various methods of measuring national income accounting. 8

(4)

(5)

UNIT—III

7. Answer any *four* of the following questions :

1×4=4

(a) What is potential GDP?

(b) What is APS?

(c) Is MPC greater than 1?

(d) What is aggregate expenditure?

(e) What is autonomous expenditure?

8. Answer any *one* of the following questions :   2

(a) Define consumption function.

(b) What is marginal efficiency of capital (MEC)?

9. Answer any *one* of the following questions :   8

(a) What is multiplier? Explain the working process of multiplier.   2+6=8

(b) What are the properties of MPC? Explain the relationship between APC and MPC.   4+4=8

UNIT—IV

10. Answer any *four* of the following questions :

1×4=4

(a) What is fiscal policy?

(b) Define net exports.

(c) What is government expenditure?

(d) What is taxation?

(e) Write the name of any one instrument of fiscal policy.

11. Answer any *one* of the following questions :   2

(a) Define net exports function.

(b) Write any two objectives of fiscal policy.

12. Answer any *one* of the following questions :   8

(a) Explain the concept of net exports and equilibrium of national income.

(6)

(b) Explain the role of fiscal policy in economic development.

UNIT—V

13. Answer any *four* of the following questions :

$1 \times 4 = 4$

(a) Define money.

(b) Who developed the liquidity preference theory of interest?

(c) What is demand for money?

(d) What are the different measures of money supply according to RBI?

(e) What is monetary policy?

14. Answer any *one* of the following questions : 2

(a) What is liquidity trap?

(b) Write any two objectives of monetary policy.

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(7)

15. Answer any *one* of the following questions : 8

(a) Explain the quantity theory of money. 8

(b) What is credit creation? Explain the process of credit creation of commercial banks. 2+6=8

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