

**2019/TDC/ODD/SEM/ECOHCC-302T/065**

**TDC (CBCS) Odd Semester Exam., 2019**

**ECONOMICS**

**( 3rd Semester )**

Course No. : ECOHCC-302T

**( Intermediate Macroeconomics—I )**

Full Marks : 70

Pass Marks : 28

Time : 3 hours

*The figures in the margin indicate full marks  
for the questions*

Answer **two** short questions (2 marks) and  
**one** broad question (10 marks) from each Unit

**UNIT—I**

1. Answer any *two* of the following : 2×2=4

(a) What do you mean by aggregate demand (AD) and aggregate supply (AS)?

(b) What is AD curve? Illustrate with a suitable diagram.

(c) What is AS curve? Illustrate with a diagram.

2. (a) How will you derive AD curve? What factors cause AD curve to shift? 7+3=10

Or

- (b) Explain the derivation of AS curve? How is it related to labour market equilibrium? 7+3=10

UNIT—II

3. Answer any two of the following : 2×2=4

- (a) Define inflation and inflation rate.  
(b) How do labour market conditions affect money wage rate?  
(c) Define unemployment. What are its different types?

4. (a) What is Phillips curve? Why does the Phillips curve slope downwards? What is the slope of Phillips curve in the long run? 3+4+3=10

Or

- (b) What role does expectations play in effectiveness of macroeconomic policies? Discuss. 10

UNIT—III

5. Answer any two of the following : 2×2=4

- (a) What is balance of payments (BoP)?  
(b) Distinguish between a closed economy and an open economy.  
(c) What is exchange rate? What are its types?

6. (a) What are the sources of demand for and supply of foreign exchanges? Explain the determination of exchange rate.

(2+2)+6=10

Or

- (b) Discuss the monetary approach to BoP. 10

UNIT—IV

7. Answer any two of the following : 2×2=4

- (a) What do you mean by 'active' and 'passive' monetary policies?  
(b) Distinguish between rules and discretion in the context of monetary policy.  
(c) What are the instruments of monetary policy?

8. (a) What are the objectives of monetary policy? Discuss. 10

Or

(b) Distinguish between monetary policy objectives and intermediate targets. Can a Central Bank target both money supply and interest rate simultaneously? Discuss. 5+5=10

UNIT—V

9. Answer any two of the following : 2×2=4

(a) What is fiscal policy and what are its components?

(b) What do you mean by government budget constraint?

(c) What is government debt and what are its sources?

10. (a) Discuss Ricardian equivalence theory. 10

Or

(b) What is government budget? Explain its different components. 3+7=10

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