

2017

(4th Semester)

ECONOMICS

FOURTH PAPER

(Macroeconomics—II)

Full Marks : 75

Time : 3 hours

(PART : B—DESCRIPTIVE)

(Marks : 50)

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

UNIT—I

1. (a) Define money. Describe various functions of money. 2+8=10

Or

- (b) Discuss Fisher's quantity theory of money. 10

UNIT—II

2. (a) Discuss the process of credit creations by the commercial banks. 10

Or

- (b) State and explain various qualitative methods of credit control which are generally adopted by the central bank. 10

UNIT—III

3. (a) Explain the nature and characteristics of trade cycle. Briefly describe the important measures to control trade cycle. 4+6=10

Or

- (b) Critically discuss Hawtrey's monetary theory of trade cycle. 10

UNIT—IV

4. (a) Discuss various measures to control inflation in an economy. 10

Or

- (b) Explain how Phillips curve relates unemployment and inflation in the economy. 10

(3)

UNIT—V

5. (a) Discuss Harrod-Domar model of economic growth. 10

Or

- (b) Discuss the relationship between economic growth and technical progress. 10

★ ★ ★

Subject Code : ECO/IV/04

To be filled in by the Candidate

DEGREE 4th Semester
(Arts / Science / Commerce /
.....) Exam., **2017**

Subject

Paper

INSTRUCTIONS TO CANDIDATES

- 1. The Booklet No. of this script should be quoted in the answer script meant for descriptive type questions and vice versa.**
- 2. This paper should be ANSWERED FIRST and submitted within 1 (one) Hour of the commencement of the Examination.**
- 3. While answering the questions of this booklet, any cutting, erasing, over-writing or furnishing more than one answer is prohibited. Any rough work, if required, should be done only on the main Answer Book. Instructions given in each question should be followed for answering that question only.**

Booklet No. A

Date Stamp

.....

To be filled in by the Candidate

DEGREE 4th Semester
(Arts / Science / Commerce /
.....) Exam., **2017**

Roll No.

Regn. No.

Subject

Paper

Descriptive Type

Booklet No. B

*Signature of
Scrutiniser(s)*

*Signature of
Examiner(s)*

*Signature of
Invigilator(s)*

ECO/IV/04

2 0 1 7

(4th Semester)

ECONOMICS

FOURTH PAPER

(Macroeconomics—II)

(PART : A—OBJECTIVE)

(Marks : 25)

The figures in the margin indicate full marks for the questions

Answer **all** questions

SECTION—A

(Marks : 10)

Put a Tick (✓) mark against the correct answer in the
brackets provided : 1×10=10

- 1.** Who states, “bad money drives good money out of circulation when both of them are full legal tender”?

(a) John Maynard Keynes ()

(b) Milton Friedman ()

(c) Thomas Gresham ()

(2)

2. Paper currency standard is also referred to as

(a) managed currency standard ()

(b) gold currency standard ()

(c) silver currency standard ()

3. Which of the following is not a function of commercial banks?

(a) Acceptance of deposits ()

(b) Advancing of loans ()

(c) Monopoly of issuing notes ()

4. Which of the following is a qualitative method of credit control of a central bank?

(a) Bank rate ()

(b) Open market operation ()

(c) Rationing of credit ()

(3)

5. Over-investment theory of trade cycle is associated with

(a) R. G. Hawtrey ()

(b) F. A. Hayek ()

(c) J. R. Hicks ()

6. During the phase of recession of a trade cycle

(a) investment, income, employment and demand decline ()

(b) investment falls but income rises ()

(c) income, employment and investment rise ()

7. Which of the following refers to as a moderate degree of controlled inflation?

(a) Deflation ()

(b) Reflation ()

(c) Stagflation ()

(4)

8. Which of the following is a monetary measure to control inflation in an economy?

- (a) Increase in money supply ()
- (b) Demonetization of currency ()
- (c) Increase in government expenditure ()

9. Technological progress helps

- (a) increase in overall productivity ()
- (b) economic growth ()
- (c) Both of the above ()

10. The technique of production in which the amount of capital used per unit of output is larger than that of labour is known as

- (a) capital-intensive technique ()
- (b) modern technique ()
- (c) scientific technique ()

(5)

SECTION—B

(Marks : 15)

Write short notes on the following :

3×5=15

1. High-powered money

(6)

2. Open market operation

(7)

3. Concept of accelerator

4. Cost-push inflation

(9)

5. Sources of economic growth

★ ★ ★