		COD	NG	   
	Under Graduate Examination, May Semester : 4 [CBCS] Subject Code : ECO/IV/EC/04 Subject : Economics [4th Pape Name of the Paper : Macroeconomi Date of Examination : 25-05-2022	r]		CODING
	No. of Answer Sheet(s) Used :	-		To be filled in by the
	Full Marks : 751	ime:3H	lours	Candidate
	<b>INSTRUCTIONS TO CANDIDATES</b> Please read the instructions carefully before you start writing your answers.	SECTION-A (OBJECTIVE)		Date of Examination
1.	Questions should be attempted as per	Total		
2.	instructions. Candidate should clearly indicate the	SECTION-B		
0	Question Nos. and the Page No. for each sheet.	Question Nos.	Marks	Semester : 4 [CBCS]
3.	Please write your Roll No. and Registration No. clearly and correctly in the space provided.			
4.	Do not write your name or the name of your college/institution anywhere or anything else, which is not part of your answer.			Subject Code ECO/IV/EC/04
5.	Candidate should make sure that the answer sheets scanned should be legible.			Subject
6.	The Invigilator on duty should confirm that the correct script is received, compiled and attached to the correct Cover Page.	Total		Economics [4th Paper]
		SECTION-C (DESCRIPTIVE)		Roll No
7.	Multiple Choice Answer should indicate the Question No., Sub. No., (if any) and the correct answer. For example—	Question Nos.	Marks	Regn. No
	<ol> <li>Name the state capital of Mizoram.         <ul> <li>(a) Lunglei</li> <li>(b) Champhai</li> <li>(c) Aizawl</li> <li>(d) Mamit</li> </ul> </li> </ol>			No. of Additional Sheet(s) :
	Candidate should provide answer as <b>1 (c) Aizawl</b>			
	[Candidate should avoid writing only (c)]	Total		
		G. Total		
	Scrutinizer's Signature Exam	iner's Sign	ature	L X Invigilator's Signature /15

## ECO/IV/EC/04

## 2022

(CBCS)

## (4th Semester)

## **ECONOMICS**

## FOURTH PAPER

## (Macroeconomics—II)

Full Marks: 75

Time : 3 hours

The figures in the margin indicate full marks for the questions

# (SECTION: A-OBJECTIVE)

(*Marks* : 10)

Choose the correct answer from the options provided :  $1 \times 10=10$ 

- 1. Paper money is called fiat money because
  - (a) it is issued with authority of government
  - (b) it is convertible into gold
  - (c) it can be easily printed
  - (d) it is light weight

- 2. Barter system means
  - (a) purchase and sale of commodity with commodity
  - (b) purchase of commodity with money
  - (c) sale of commodity with money
  - (d) All of the above
- 3. Derivative deposit in a commercial bank is also called
  - (a) active deposit
  - (b) passive deposit
  - (c) primary deposit
  - (d) None of the above
- **4.** In a country, it is possible to have
  - (a) two central banks
  - (b) only one central bank
  - (c) three central banks
  - (d) many central banks
- 5. During the upswing of a trade cycle, the central bank of a country will
  - (a) lower the cash reserve ratio
  - (b) lower down the cash reserve ratio to the minimum
  - (c) raise the cash reserve ratio
  - (d) not change the cash reserve ratio
- 6. Overinvestment theory of trade cycle is associated with
  - (a) R. G. Hawtrey
  - (b) F. A. Hayek
  - (c) J. R. Hicks
  - (d) J. M. Keynes

- **7.** Which of the following is a monetary measure to control inflation in an economy?
  - (a) Increase in money supply
  - (b) Increase in repo rate
  - (c) Increase in government expenditure
  - (d) All of the above
- 8. The cost-push inflation is caused by an
  - (a) increase in the aggregate demand for goods and services
  - (b) increase in the demand for money
  - (c) increase in the production costs
  - (d) All of the above
- **9.** When the amount of labour used per unit of output is larger than that of capital, it is known as
  - (a) capital-intensive technique
  - (b) labour-intensive technique
  - (c) scientific technique
  - (d) manpower technique
- **10.** Which of the following growth models inspired the use of capital-output ratio for development planning?
  - (a) Harrod-Domar model
  - (b) Solow model
  - (c) Kaldor model
  - (d) Feldman model

(SECTION : B-SHORT NOTE)

(Marks: 15)

Write short notes on the following :

3×5=15

Unit—I

1. Gresham's law

OR

2. High-powered money

Unit—II

3. Cash Reserve Ratio (CRR)

OR

4. Statutory Liquidity Ratio (SLR)

UNIT—III

**5.** Accelerator

OR

6. Phases of trade cycle

UNIT—IV

7. Difference between cost-push inflation and demand-pull inflation

OR

8. Phillips curve

UNIT-V

9. Technological progress

OR

10. Indicators of economic development

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#### (SECTION : C-DESCRIPTIVE)

( Marks : 50 )

#### Unit—I

**1.** Define money. Explain the various functions of money. 3+7=10

#### OR

**2.** Discuss Fisher's quantity theory of money. What is its limitation? 7+3=10

## Unit—II

**3.** Define commercial bank. Discuss the functions of commercial bank.

3+7=10

#### OR

4. What is a central bank? Describe the various instruments used by the Central Bank to control credit. 3+7=10

## UNIT—III

**5.** What are the characteristics of trade cycle? Explain the various measurements to control cyclical fluctuations in the economy. 3+7=10

#### OR

**6.** Discuss Hawtrey's pure monetary theory of trade cycle. 10

#### UNIT—IV

What is inflation? Discuss the effects of inflation on various sectors of the economy.
 3+7=10

#### OR

8. What are the causes of inflation? Discuss various measures to control inflation in the economy.4+6=10

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# Unit—V

<b>9.</b> Discuss the relationship between economic growth and technical progress.				
OR				
10. Critically explain the Harrod-Domar model of economic growth.	10			

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