U.G. 2nd Semester Examinations 2022

ECONOMICS (Honours)

Paper Code : ECOH DC-3 (Core-3)

(Introductory Macroeconomics)

Full Marks : 32 Time : Two Hours

The figures in the margin indicate full marks.
Candidates are required to give their answers in their own words as far as practicable.

Group - A

Answer any *four* questions. 2×4=8

1. Under which circumstances GDP and GNP will be equal?
2. How does capital flow affect exchange rate?
3. How does persistent positive output gap affect short run aggregate supply?
4. How does anticipated inflation affect tax distortions?
5. What does the assumption of constant velocity imply?
6. 'Expected inflation is one of the shift factors of short-run aggregate supply curve' — explain.

Group - B

Answer any *four* questions. 4×4=16

7. Briefly discuss the major problems of National income accounting.
8. What is unemployment? Discuss the difference between frictional and structural unemployment.
9. Explain the role of financial intermediation in economic growth.
10. How can you derive the money multiplier?
11. When and how central bank takes monetary policy ease in an economy?
12. What is crowding out effect? Discuss.
13. Describe the adjustment to long-run equilibrium if an economy's short-run equilibrium output is above potential output.
14. Write Fisher's quantity equation for money and explain it.

Group - C

Answer any *one* question. 8×1=8

15. What factors make exchange rate fluctuate and how?

16. Discuss how equilibrium is determined through interaction between aggregate demand and aggregate supply.

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