

(i) Printed Pages :3]

Roll No.

(ii) Questions :9]

Sub. Code :

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Exam. Code:

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B.A./B.Sc.(General)2ndSemester 1046

ECONOMICS(In All Mediums) Paper : Macro Economics

Time allowed: 3 Hours]

[Max. Marks : 90

- Note :-* (1) Attempt **five** questions in all, selecting at least **one** question each from Sections A, B, C and D. Question No. I is compulsory.
- (ii) For private candidates, who have not been assessed earlier for internal assessment, the marks secured by them in theory paper will proportionately be increased to the maximum marks of the paper in lieu of internal assessment.

(Compulsory Question)

- I. Answer any **nine** of the following:
- What is the relation between MPG and MPS?
 - Define Gross Investment.
 - Define Prospective Yield.
 - What is Laissez-Faire Policy?
 - Define Say's Law of Market.
 - What are the components of aggregate demand in Keynesian Theory of Income and Employment?

- (g) What is velocity of Money?
- (h) What is the other name of Cambridge Equation of Quantity Theory of money?
- (i) Define Credit Multiplier.
- (j) Write any two measures to Control Inflation.
- (k) Give two objectives of Fiscal Policy.
- (l) What are the four phases of Trade Cycles? 9X2=18

SECTION - A

- II. Explain meaning and scope of Macro Economics. 18
- III. What is meant by Marginal Efficiency of Capital(MEC) ? Explain short-term and long-term factors affecting it. 5,13

SECTION - B

- IV. "Full employment is a normal feature of a capitalist economy." Critically discuss.
- V. Critically explain Keynesian Theory of Income and Employment. 18

SECTION - C

- VI. Explain Keynesian Liquidity Preference Theory of Interest. 18
- VII. Discuss the process of credit creation by Commercial Banks. 18

SECTION - D

- VIII. Define Inflation. What are its causes? 3,15
- IX. How does monetary policy help in achieving the objectives of internal stabilisation? 18