

2022

ECONOMICS

[Generic]

(B.Sc. Second Semester End Examination-2022)

PAPER-GE2T

Full Marks: 60

Time: 03 Hrs

The figures in the right hand margin indicate marks

Candidates are required to give their answers in their own words as

far as practicable

Illustrate the answers wherever necessary

Group A

1) Answer any Ten Questions:

10x2 = 20

- a. State Fisher's equation of exchange.
- b. What do you mean by personal disposable income?
- c. Define green GDP.
- d. Distinguish between inflation and deflation.
- e. What is legal tender money
- f. What do you mean by hyper inflation?
- g. What is inflationary gap?
- h. Define IS curve.
- i. What is precautionary demand for money.
- j. What is autonomous investment?
- k. What is marginal propensity to consume?
- l. What is interest rate?

(2)

- m. Define LM curve.
- n. Explain the concept of multiplier.
- o. What is stagflation?

Group B

Answer any Four Questions:

4x5 = 20

- 2. Explain the concept of liquidity trap.
- 3. Explain the circular flow of national income of multi sector model in an open economy.
- 4. Write down the causes of inflation.
- 5. What do you mean by demand for money?
- 6. What are the effects of a) change in savings on IS Curve and b) Change in price level on LM Curve
- 7. Why is average propensity to consume greater than marginal propensity to consume?
- 8. Explain the relationship between GDP & GNP.

Group C

Answer any Two Questions:

2x10 = 20

- 9. Derive the IS and LM. Curve and examine the stability of equilibrium of the IS-LM model. 10
- 10. Explain the quantity theory of demand for money. 10
- 11. Define national income. Explain the measurement methods of national income in India. 2+8
- 12. What is inflation? Explain demand pull and cost push inflation. 2+8