

**2023/TDC(CBCS)/ODD/SEM/  
ECOHCC-302T/344**

**TDC (CBCS) Odd Semester Exam., 2023**

**ECONOMICS**

**( Honours )**

**( 3rd Semester )**

Course No. : ECOHCC-302T

**( Intermediate Macroeconomics—I )**

*Full Marks : 70*

*Pass Marks : 28*

*Time : 3 hours*

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

**SECTION—A**

Answer *ten* questions, selecting any *two* from each

Unit : 2×10=20

**UNIT—I**

1. Name two important determinants of investment.
2. What happens if  $AD > AS$ ?
3. Write two components of aggregate supply.

UNIT—II

4. What is stagflation?
5. Define inflationary gap.
6. What is adaptive expectation?

UNIT—III

7. Define real exchange rate.
8. What is an open economy?
9. Distinguish between spot market and forward market.

UNIT—IV

10. What is monetary policy?
11. Mention two targets of monetary policy.
12. Name two qualitative instruments of monetary policy.

UNIT—V

13. What are fiscal lags?
14. Define surplus budget and deficit budget.
15. What are called cyclically balanced budget?

SECTION—B

Answer *five* questions, selecting *one* from each

Unit :

10×5=50

UNIT—I

16. "The interaction of aggregate demand and aggregate supply determine equilibrium output and employment." Discuss. 10
17. (a) Write the different components of aggregate demand.
- (b) Which factors will cause the AD curve to shift left? 7+3=10

UNIT—II

18. "Inflation is an excess of aggregate demand over aggregate supply." Discuss the statement and analyze the factors which cause inflation. 10
19. Explain in brief : 5+5=10
- (a) Excess demand inflation
- (b) Cost push inflation

UNIT—III

20. Explain how exchange rate is determined under a system of flexible exchange rate. 10

21. What is meant by disequilibrium in the balance of payments? Explain the automatic adjustment mechanism under fixed exchange rate system. 5+5=10

UNIT—IV

22. (a) Distinguish between quantitative and qualitative measures of monetary policy.  
(b) Under what conditions are the qualitative controls preferred to quantitative controls? 5+5=10
23. (a) How does open market operation work to affect the money supply?  
(b) Explain the limitations of monetary policy in a developing economy. 5+5=10

UNIT—V

24. Discuss the main instruments of fiscal policy in economic stabilisation. 10
25. (a) Distinguish between internal debt and external debt.  
(b) Point out few limitations of fiscal policy. 6+4=10

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