

2017/SEM/EVEN/ECOH-202/203

TDC Even Semester Exam., 2017

ECONOMICS

(Honours)

(2nd Semester)

Course No. : ECOH-202

(Macroeconomics—II)

Full Marks : 50

Pass Marks : 17

Time : 2 hours



The figures in the margin indicate full marks for the questions

Answer **five** questions, taking **one** from each Unit

UNIT—I

1. (a) What are the main functions of a Central Bank? 6
- (b) Does the Reserve Bank of India play any regulatory role in Indian economy? 4
2. (a) Describe the structure of the London money market. 5
- (b) In what respect does it differ from the New York money market? 5

(Turn Over)

UNIT—II

3. (a) What is inflationary gap? 6
(b) How may it be liquidated? 4
4. Explain why the Philips trade-off depends crucially on the speed of wage adjustment. 10

UNIT—III

5. "If the multiplier and the accelerator interact, there is an inherent cyclical tendency in the economy." Discuss. 10
6. Examine the role played by (a) innovation and (b) changes in investment in a trade cycle.

5+5=10

UNIT—IV

7. (a) Define economic growth. 4
(b) Explain the relationship between technological progress and economic growth. 6
8. (a) What is meant by steady state? 4
(b) Explain the condition that must hold in a steady state in the Solow model. 6

UNIT—V

- (a) What are the objectives of IBRD? 5
- (b) How has it assisted the developing countries? 5

Write notes on the following : 5+5=10

- (a) Special Drawing Rights (SDRs)
- (b) IMF and India

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