

2017/SEM/EVEN/ECOP-401/213

TDC Even Semester Exam., 2017

ECONOMICS

(Pass)

(4th Semester)



Course No. : ECOP-401

(**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, selecting **one**
from each Unit

UNIT—I

1. (a) What is commercial bank? 2
- (b) Mention the importance of commercial bank for economic development. 4
- (c) Explain briefly the functions of a commercial bank. 4

J7/1398

(Turn Over)

(2)

2. (a) What is the name of the Central Bank of India? 1
- (b) Explain the regulatory role of the RBI. 9

UNIT—II

3. (a) Define demand-pull inflation. 2
- (b) What are the causes of inflation? 4
- (c) Mention the effects of demonetization in India. 4
4. Write notes on the following : 4+2+2+2=10
- (a) Open and suppressed inflation
- (b) Stagflation
- (c) Structural inflation
- (d) Mark-up inflation

UNIT—III

5. (a) What is international trade? 2
- (b) Why is a separate theory required for international trade? 4
- (c) Mention various assumptions of the comparative cost theory of international trade. 4

6. (a) What is protection? 2
(b) Discuss the arguments for and against protection. 8

UNIT—IV

7. (a) What do you mean by balance of payments? 2
(b) Discuss various factors that bring about fluctuations in the rate of foreign exchange. 8

8. (a) What is meant by disequilibrium in the balance of payments? 2
(b) Explain the causes of balance of payments disequilibrium. 8

UNIT—V

9. (a) Distinguish between direct tax and indirect tax. 2
(b) State two merits and two demerits of direct tax and indirect tax. 4+4=8

10. (a) What is public debt? 2
(b) Explain the internal and external burdens of public debt in a developing country. 8
