



UNIVERSITY OF NORTH BENGAL
B.A. Honours 2nd Semester Examination, 2019

GE2(A/B/C)-ECONOMICS

Time Allotted: 2 Hours

Full Marks: 60

*The figures in the margin indicate full marks.
Candidates should answer in their own words and adhere to the word limit as practicable.
All symbols are of usual significance.*

The question paper contains courses A, B and C. Candidates are required to answer any one from the three courses and should mention it clearly on the Answer Book.

A. MACROECONOMICS

GROUP-A

Answer any *four* questions

3×4 = 12

1. What is meant by price index number? 3
2. What are the components of demand for money in the Liquidity Preference Theory? 3
3. Mention three anti-inflationary measures. 3
4. What is stagflation? 3
5. Discuss briefly three causes of income inequality. 3
6. Discuss three difficulties in measuring national income. 3

GROUP-B

Answer any *four* questions

6×4 = 24

7. Explain Fisher's version of Quantity Theory of Money. 6
8. Explain Classical Theory of Interest Rate determination. 6

9. Show the relation between Average Propensity to Consume (APC) and Marginal Propensity to Consume (MPC). 6
10. Distinguish between demand-pull inflation and cost-push inflation. 6
11. Explain Say's law. 6
12. Distinguish between the following: 3+3=6
- (a) GNP and NNP
- (b) Capital account and current account of balance of payments.

GROUP-C

Answer any *two* questions

12×2 = 24

13. Explain the classical theory of output and employment. 12
14. What do you mean by inflationary gap? Explain it with the help of a suitable diagram. 3+9=12
15. Explain the concept of circular flow of income. 12
16. What do you mean by consumption function? Discuss different features of Keynesian Consumption Function. Explain the concept of multiplier. 2+6+4=12

B. INDIAN ECONOMY

GROUP-A

Answer any *four* questions

3×4 = 12

1. Mention some of the sources from where small scale industries can borrow capital in India. 3
2. Mention the components of money supply. 3
3. Mention three traditional and non-traditional export items of India in recent years. 3
4. What is Balance of Payments? What is deficit in Balance of Payments? 2+1=3
5. State three effects of globalisation on the industrial labour in India. 3
6. Mention any three objectives of India's five year plan. 3

GROUP-B

Answer any four questions

6×4 = 24

7. What is industrial dispute? State some causes of Industrial disputes in India. 2+4=6
8. What is annual plan? Briefly state few important features of India's five year plan. 2+4=6
9. State the importance of small scale industries in India's economic development. 6
10. Discuss the main features of Indian Capital Market. 6
11. How has the direction of India's foreign trade changed in the post-liberalisation period? 6
12. Explain briefly how RBI helps in the process of economic development in India. 6

GROUP-C

Answer any two questions

12×2 = 24

- 13.(a) Briefly explain problems of small scale industries in India. 8+4=12
(b) In this context, state the role of the govt. to solve those problems.
14. Explain how RBI controls credit in India. 12
- 15.(a) What are the major causes of current Balance of Payment crisis in India? 7+5=12
(b) State the measures that have been taken by the government to solve the current balance of payment crisis.
16. Write a note on the achievements and failures of India's five year plans. 12

C. PUBLIC FINANCE

GROUP-A

Answer any four questions

3×4 = 12

1. Discuss three features of public good. 3
2. What is externality? Give an example of positive externality. 3

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| 3. | What is regressive taxation? | 3 |
| 4. | What do you mean by public debt? | 3 |
| 5. | What is meant by fiscal policy of the government? Give some examples. | 3 |
| 6. | What is meant by ability to pay principle of taxation? | 3 |

GROUP-B

Answer any four questions

6×4 = 24

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| 7. | Write a note on the importance of public finance. | 6 |
| 8. | Discuss the features of a good tax system. | 6 |
| 9. | What are the sources of public debt? | 6 |
| 10. | What do you mean by market failure? Explain. | 6 |
| 11. | Distinguish between direct tax and indirect tax. | 6 |
| 12. | Point out the difference between revenue account and capital account of a budget. | 6 |

GROUP-C

Answer any two questions

12×2 = 24

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| 13. | Discuss the benefit theory of taxation. | 12 |
| 14. | What is deficit financing? Under what circumstances, would it be necessary to resort to deficit financing? | 2+10=12 |
| 15.(a) | What do you mean by 'burden of public debt'? | 2+10=12 |
| | (b) Is there any burden to an internally held public debt? | |
| 16. | Discuss the main recommendations of the 14th Finance Commission. | 12 |

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