RAMAKRISHNA MISSION VIDYAMANDIRA
(Residential Autonomous College under University of Calcutta)
B.A./B.SC. SECOND SEMESTER EXAMINATION, MAY 2012
FIRST YEAR

Date : 28/05/2012

ECONOMICS (General)

Time : 11 am – 2 pm

Paper : II

Full Marks : 75

1. Answer **<u>any ten</u>** questions :   [10×2]
    a) What is transfer earning?
    b) What is GDP deflator?
    c) What do you mean by velocity of money?
    d) What is M_1?
    e) What do you mean by open market operation?
    f) What is stagflation?
    g) What is development bank?
    h) What is bank rate?
    i) What is CRR?
    j) What is public debt?
    k) What is 'Say's Law'?
    l) Distinguish between money wage and real wage.
    m) If MPS $= \dfrac{1}{4}$, find the value of investment multipler.
    n) What is B.O.P?
    o) What is qualitative credit control?

2. Answer **<u>any three</u>** questions :   [3×5]
    a) Explain the method of measurement of national income by income census method.
    b) Briefly describe the functions of commercial bank.
    c) What are the functions of money?
    d) Discuss, briefly the methods of antiinflatimary policy.
    e) What are the concepts of equality and equilibrium of B.O.P.?

3. Answer **<u>any four</u>** questions :   [4×10]
    a) Discuss the Absolute Advantage theory of trade.
    b) Explain the concept of Fischer's quantity theory of money.
    c) Explain briefly the simple Keynesian Model of income determination in a closed economy.
        Deduce the conditions of stable equilibrium income.   [7+3]
    d) What is inflation? What are the economic effects of inflation? —Explain.   [2+8]
    e) What is central bank? Explain the functions of central bank.   [2+8]
    f) Discuss the advantages and disadvantages of direct and indirect tax.
    g) Derive Keynesian investment multiplier.

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