



'समानो मन्त्रः समितिः समानी'

**UNIVERSITY OF NORTH BENGAL**

B.A./B.Sc. Honours 2nd Semester Examination, 2023

**GE1-P2-ECONOMICS (202)**

Time Allotted: 2 Hours

Full Marks: 60

*The figures in the margin indicate full marks.*

**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**

1. Answer any *four* questions: 3×4 = 12
- (a) What is the value of the multiplier when mpc's are 0.2, 0.6 and 0?
  - (b) What is effective demand?
  - (c) Define price index.
  - (d) Distinguish between NNP at market price and NNP at factor cost.
  - (e) What is deflation?
  - (f) State three anti inflationary measures.

**GROUP-B**

**Answer any *four* questions**

6×4 = 24

- 2. 'Supply creates its own demand'— Explain the statement. 6
- 3. Distinguish between demand pull and cost push inflation. 6
- 4. Discuss the features of Keynesian consumption function. 6
- 5. Define money. Explain the important functions of money. 6
- 6. Discuss the problem of double counting in estimating National Income. 6
- 7. Explain the concept of multiplier. 6

**GROUP-C**

**Answer any *two* questions**

12×2 = 24

- 8. Discuss the different methods of measuring National Income.
- 9. Distinguish between Fischer's and Cambridge quantity theory of money.

- 10.(a) Explain the concept of inflationary gap. 6+6  
(b) State and explain the liquidity preference theory.
- 11.(a) Distinguish between Classical and Keynesian theories of economics. 6+6  
(b) Distinguish between current account and capital account of balance of payments.

**B. INDIAN ECONOMY**

**GROUP-A**

1. Answer any *four* questions: 3×4 = 12
- (a) Distinguish between money market and capital market.  
(b) What is 'Repo' rate?  
(c) What is 'Plan holiday'?  
(d) Distinguish between small scale and cottage industry.  
(e) What is NITI Aayog?  
(f) What is globalization?

**GROUP-B**

**Answer any *four* questions from the following**

6×4 = 24

2. What are the important functions of Central Bank of India? 6  
3. Discuss the causes of industrial dispute in India. 6  
4. What are the major problems faced by the cottage and small scale industry in India? 6  
5. Discuss the features of Indian money market. 6  
6. Distinguish between balance of payment and balance of trade. 6  
7. What are the objectives of economic planning in India? 6

**GROUP-C**

**Answer any *two* questions from the following**

12×2 = 24

8. (a) What is meant by social security? 2+6+4  
(b) What types of social security measures have been adopted for industrial weakness in India?  
(c) Do you think that these measures are adequate? Give reasons for your answer.
9. Explain briefly the quantitative and qualitative credit control mechanism. 12  
10. Write a short note on achievements and failures of Indian five year plan. 12  
11. Discuss the changes in the volume composition and direction of Indian foreign trade since 1991. 12

**C. PUBLIC FINANCE**

**GROUP-A**

1. Answer any *four* questions: 3×4 = 12
- (a) Clearly distinguish between ‘impact’ and ‘incidence’ of taxation.
  - (b) What is a merit good?
  - (c) Distinguish between public good and private good.
  - (d) What is Fiscal deficit?
  - (e) Distinguish between tied and untied aid.
  - (f) Mention two sources of tax revenue of the Central Government.

**GROUP-B**

**Answer any *four* questions**

6×4 = 24

- 2. Discuss the merits and demerits of indirect tax. 6
- 3. Distinguish between progressive and proportional tax. 6
- 4. Distinguish between positive and negative externalities with examples. 6
- 5. Define public good. What are its salient features? 2+4
- 6. Briefly explain the concept of market failure. 6
- 7. Write a note on Pareto efficiency.

**GROUP-C**

**Answer any *two* questions**

12×2 = 24

- 8. Critically discuss the Ability to Pay Principle of taxation. 12
- 9. Discuss the characteristics of a good tax system. Examine the recent trends in tax revenue of the Central Government of India. 6+6
- 10.(a) Distinguish between internal and external debt. 6+6
  - (b) Do you think that internally held public debt is better than externally held public debt? Justify your view.
- 11. Examine the working of Monetary and Fiscal Policies in India.

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