Ba/EC2.CC3

2026

(FYUGP)

(2nd Semester)

ECONOMICS

(MAJOR)

Paper : EC2.CC3

(Introductory Macroeconomics)

Full Marks : 75

Pass Marks : 40%

Time : 3 hours

The figures in the margin indicate full marks for the questions.

Answer **one** question from each Unit.

UNIT—I

1. Explain the nature and scope of macroeconomics. What are its importances? 10+5=15

2. What is NNP_{FC}? Compare and contrast the income method and expenditure method of estimating national income. Explain the steps taken in estimating national income by income method. 2+6½+6½=15

UNIT—II

3. What is meant by fiscal multiplier? What are the approaches to measure fiscal multiplier? Explain the factor affecting the multiplier. 3+3+9=15

4. Explain the statement, "supply creates its own demand". Bring out the criticism levelled against Say's law of market by J. M. Keynes. 10+5=15

UNIT—III

5. Explain the process of credit creation by a commercial bank. What are its limitations? 12+3=15

6. Explain cash transaction approach of quantity theory of money. Bring out the superiority of cash balance approach over cash transaction approach. 10+5=15

UNIT—IV

7. Explain the effects of inflation on production and distribution. 7½+7½=15

8. Discuss the trade-off between inflation and unemployment using Phillips curve. 15

UNIT—V

9. What are the components of BoP? Discuss the causes of disequilibrium in the BoP. 3+12=15

10. Explain the different mechanisms of adjusting balance of payments. 15

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