



বিদ্যাসাগর বিশ্ববিদ্যালয়  
**VIDYASAGAR UNIVERSITY**

**Question Paper**

**B.Sc. Honours Examinations 2021**

(Under CBCS Pattern)

**Semester - III**

**Subject: ECONOMICS**

**Paper: C 6-T**

**(Intermediate Macroeconomics-I)**

**Full Marks : 60**

**Time : 3 Hours**

*Candidates are required to give their answer in their own words as far as practicable.*

*The figures in the margin indicate full marks.*

**Group - A**

Answer any *four* questions :

12×4=48

1. What do you mean by aggregate demand in macro economics ? How is the aggregate demand curve derived in the Keynesian framework ? 2+10
2. Explain the nature of trade-off between inflation and unemployment in the short-run and long-run Phillips curve ?
3. Using IS-LM diagram, show the impact of changes in money supply on national income and market rate of interest.

4. Derive the slopes of IS curve and LM curve. Evaluate the shape of IS curve if investment is perfectly interest inelastic. 8+4
5. Briefly explain the Mundell-Fleming Model.
6. Explain the simple Keynesian Model of income determination. Illustrate the stability of the equilibrium. 8+4
7. What do you mean by real balance ? Write a short note on the real balance effect. 4+8
8. Derive the aggregate supply curve in the presence and in the absence of wage rigidity.

**Group - B**

9. Answer any *six* questions from the following : 2×6=12
    - (a) What do you mean by rational expectation ?
    - (b) What is investment multiplier ?
    - (c) Define the Consumption function ?
    - (d) What is flexible exchange rate ?
    - (e) What is Natural Rate of Unemployment (NRU) ?
    - (f) What is wage reigidity in Keynesian Model ?
    - (g) State two factors which can shift an IS curve ?
    - (h) What do you mean by imperfect capital mobility ?
    - (i) What is Paradox of Thrift ?
    - (j) What is balanced budget multiplier ?
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