



विद्यासागर विश्वविद्यालय
VIDYASAGAR UNIVERSITY
Question Paper

B.Sc. Honours Examinations 2021

(Under CBCS Pattern)

Semester - V

Subject : ECONOMICS

Paper : DSE 2 - T

Full Marks : 60

Time : 3 Hours

*Candidates are required to give their answers in their own words as far as practicable.
The figures in the margin indicate full marks.*

[POLITICAL ECONOMY-I]

Group-A

Answer any *four* questions from the following :

12×4=48

1. Explain briefly, why private property rights are important for the capitalist economic system. Can a weak state be helpful for sustenance of capitalism? Justify your answer. Write a note on 'Golden Age' of capitalism. 3+3+6
2. What is Washington Consensus? Discuss the features of globalization that we are experiencing in the last few decades. Write down some proposals to contain discontents arising out of globalization. 2+7+3
3. Discuss elaborately different organizations of production. 12

4. Discuss, on the basis of present discourse in the world economy, whether private property rights based liberalism overtakes labour rights based policy or not. What do you think about the relationship of neo-liberal policy and setting the limit of the welfare efforts of states? Discuss the state of inequality keeping in mind the economies across the planet. 3+3+6
5. Mention some important features that you have observed in the economies across the world during last four decades. Is that going against the spirit of free trade? Does the contemporary history of capitalist development imply that 'wealth is produced collectively but appropriated privately'? Elaborate your argument in the context of present global scenario. 3+4+5
6. Discuss the financial crisis of 2007-08. Is excessive financialization actually 'killing the host'? Justify your argument. 6+6
7. Explain whether mis-measuring of GDP is undermining contribution of women to the economy or not. Is market society based economy may be a source of gender inequality? Justify your argument. 6+6
8. Explain the issue of climate change. Explain how far market based solution to the issue of climate change is justified? 6+6

Group-B

9. Answer any *six* questions from the following : 2×6=12
 - (a) Which period can be considered as golden age of capitalism?
 - (b) What do you mean by new deal?
 - (c) What is Nixon Shock?
 - (d) What is Volcker Shock?
 - (e) What is flexible production system?
 - (f) What is neo-liberalism?
 - (g) Write a few sentences about "Great Moderation".
 - (h) What do you mean by gig economy?
 - (i) Define sustainable development.
 - (j) Define feminist economics.
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OR

[MONEY AND FINANCIAL MARKETS]

Group-A

Answer any *four* questions from the following : 12×4=48

1. Explain the concept of “money supply”. What factors determine money supply in an economy? 4+8
2. State the different approaches for the measures of money stock. How is money stock measured by the Reserve Bank of India? 8+4
3. Discuss briefly the structure of the Indian money market. What are the deficiencies of the Indian money market? 8+4
4. Discuss how the commercial bank creates money by creating deposits. Also discuss its limitations. 8+4
5. Outline the recent changes in the policy of RBI for ensuring credit supply to the priority sector in the era of financial liberalisation. 12
6. What are the theories of the structure of Interest Rates? Explain these theories. Discuss briefly the structure of Interest Rates in India. 8+4
7. What is monetary policy? Mention the different objectives of monetary policy. Discuss full employment and economic growth as objectives of monetary policy. 2+4+6
8. Discuss the objectives of monetary management in a developing economy. 12

Group-B

9. Answer any *six* questions from the following : 2×6=12

- (a) What are the main functions of financial markets?
- (b) What do you mean by velocity of circulation of money?
- (c) Define M_1 and M_3 .
- (d) Distinguish between banking and non-banking financial intermediaries.
- (e) What is Cash Reserve Ratio?
- (f) Distinguish between Money Market and Capital Market.

- (g) What do you mean by the Indigenous Bankers?
 - (h) What is Bill Market?
 - (i) What are the institutions of the money market?
 - (j) What are the main objectives of monetary policy?
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OR

[FINANCIAL ECONOMICS]

Group-A

Answer any *four* questions from the following : 12×4=48

1. Distinguish between 'bond' and 'share'. Explain bond value theories with example? 2+10
2. Explain in detail the Markowitz model and two-fund theorem. 12
3. Explain the Modigliani-Miller theorem of corporate finance. 8+4
4. What are the assumptions of CAPM? Distinguish between CML and SML? 12
5. Write notes on :
 - (i) Historical return
 - (ii) Expected return
 - (iii) Risk adjusted return 4+4+4
6. Explain the relationship between futures prices, forward prices and spot prices. 12
7. Explain the factors to be considered in formulating corporate financial policy? What is corporate social responsibility? 8+4
8. What do you mean by portfolio management? Explain how an investor chooses between two financial assets while investing. 4+8

Group-B

9. Answer any *six* questions from the following : 2×6=12
 - (a) What is internal rate of return?
 - (b) What is the fixed income security?
 - (c) What is spot rate?
 - (d) What are zero coupon bonds?

- (e) What is forward rate?
 - (f) What is yield curve?
 - (g) What are leveraged portfolios?
 - (h) What is minimum portfolio risk?
 - (i) Define repo rate and reverse repo rate.
 - (j) Make the relation between present discounted value and interest rate.
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