

**VPG (1)-Eco (3)
Macro Eco**

2017-19

Full Marks : 70

Time : 3 hours

**Answer any five questions in which
Q. No. 1 is compulsory.**

The questions are of equal value

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

1. Answer the following questions :

- (a) Difference between G.N.P. and G.D.P.
- (b) What are the methods of measuring National Income ?
- (c) Meaning of effective demand.
- (d) Marginal propensity to consume.
- (e) Meaning of multiplier.
- (f) Meaning of Autonomous investment.
- (g) Keynesian liquidity trap.

2. Explain circular flow of income in three sector economy.

(Turn Over)

(2)

- 3. What is compound or super multiplier ? How does it differ from simple multiplier ?
- 4. Critically discuss permanent income hypothesis.
- 5. Discuss Hicks theory of Business cycle.
- 6. Explain the main features of the macro economic model of Mundell-Fleming.
- 7. Examine the main component of investment function.
- 8. Distinguish between marginal efficiency of capital and marginal efficiency of investment. Analyse the factors affecting inducement to invest.
- 9. Discuss the liquidity preference theory of Keynes.
- 10. Write notes on any *two* of the following :
 - (a) Social Accounting
 - (b) Static and dynamic consumption function.
 - (c) Effectiveness of monetary and fiscal policies.
 - (d) Multiplier.

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Hiz- 500