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(FYUGP)

(5th Semester)

ECONOMICS

(Major)

Paper Code : EC5.CC9

(Intermediate Macroeconomics—II)

Full Marks : 75
Pass Marks : 40%

Time : 3 hours

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

Answer *any* **one** questions from each Unit.

UNIT—I

1. What is meant by 'high-powered money'?
   How does it influence the volume of money
   supply? 5+10=15

2. Explain the mechanistic model of bank
   deposit determination. 15

UNIT—II

3. Discuss Tobin's portfolio approach to the demand for money. 15

4. Discuss Baumol Inventory Approach to demand for money. 15

UNIT—III

5. Explain any five major objectives of monetary policy. 15

6. Discuss the role of monetary policy in a developing economy. Briefly state the objectives of monetary policy in India. 10+5=15

UNIT—IV

7. What is fiscal policy? Explain the objectives of fiscal policy in a developing country like India. 3+12=15

8. Explain briefly crowding out effect. State the limitations of fiscal policy. 5+10=15

UNIT—V

9. Discuss the functions of a Central Bank. 15

10. Write short notes on any *two* of the following : 7½×2=15

   (a) Cooperative Bank

   (b) RRB

   (c) NBFC

   (d) Microfinance Institutions

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