



'সমানো মন্ত্র: সমিতি: সমানী'

UNIVERSITY OF NORTH BENGAL

B.A./B.Sc. Honours 3rd Semester Examination, 2023

CC6-ECONOMICS (306)

INTERMEDIATE MACROECONOMICS

Time Allotted: 2 Hours

Full Marks: 60

The figures in the margin indicate full marks.

GROUP-A

1. Answer any **four** questions from the following: 3×4 = 12
- (a) When does an IS curve become interest inelastic?
 - (b) What do you mean by wage rigidity?
 - (c) How does open market operations affect money supply?
 - (d) What do you understand by deficit financing?
 - (e) What do you mean by full crowding out?
 - (f) What do you mean by purchasing power parity?

GROUP-B

Answer any four questions from the following 6×4 = 24

- 2. Define LM curve. What are the factors that determine the slope of LM curve? 2+4
- 3. What is foreign trade multiplier and how is it derived? 2+4
- 4. Write a note on Keynesian liquidity preference schedule. 6
- 5. Explain Dornbusch's overshooting model with graphical illustration. 6
- 6. Explain Baumol's inventory theory of demand for money. 6
- 7. Explain monetary approach to balance of payments. 6

GROUP-C

Answer any two questions from the following 12×2 = 24

- 8. (a) Distinguish between currency multiplier and deposit multiplier. 8+4
(b) How do they affect money supply?
- 9. Explain the Mundell-Fleming model in an open economy. 12
- 10. Discuss the effectiveness of monetary and fiscal policy using the IS-LM framework. 12
- 11. Derive aggregate supply curve under presence and absence of wage rigidity. 12

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