



# SUNDARBAN MAHAVIDYALAYA

## YEAR: 2020

<b>Examination: Internal Assessment (B.Com.)</b>	<b>Semester: Five (V)</b>
<b>Subject: Macroeconomics</b>	<b>Paper: DSE-5.1A</b>
<b>Full Marks: 25</b>	<b>Time: 1 Hr.</b>

**General Instruction:** Same as the Instructions given Commerce Department.

**Answer any Two Questions:**

1. Which of the following are Stocks and which are Flows? Consumption, Capital, Investment, GDP, Deprecation. Suppose GDP is Rs. 5000. Domestic residences receive factor payment from abroad of Rs. 150. Foreigners receive Rs. 90 as factor payment from this country. What is the value of GNP?

[ $(1 \times 5) + 7.5 = 12.5$ ]

2. If  $C = 10 + 0.9Y$  and  $I_0 = 60$  then what is the level of unplanned inventory accumulation (which is nothing but the excess production over demand) at  $Y = 850$ ? If  $C = 12 + \frac{4}{5}Y$  and  $I_0 = 20$  then what are the values of autonomous saving and marginal propensity to save?

[ $5 + 7.5 = 12.5$ ]

3. Judge the effectiveness of expansionary fiscal policy according to the nature of the slope of LM curve.

[12.5]

4. Draw the difference between demand pull inflation and cost push inflation. Diagrammatically explain the Keynesian concept of Inflationary Gap.

[ $7 + 5.5 = 12.5$ ]

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