



Question Bank For PG Course

Commerce

3rd Paper

MACRO ECONOMICS AND INTERNATIONAL ECONOMIC PROBLEMS : PGCO-III

Question 1

Write down the transaction equation of the Quantity Theory in the classical system.

Question 2

What is the striking feature of the classical system ?

Question 3

What variables are determined at the intersection point of IS and LM curves ?

Question 4

Who developed the New Classical Macroeconomics or Rational Expectation Hypothesis ?

Question 5

Between which variables , does the original Phillips curve show a trade off ?

Question 6

What is meant by stagflation ?

Question 7

If CD is the currency-deposit ratio and RD is the reserve-deposit ratio, then what is the value of the money multiplier (m) ?

Question 8

As per Loanable funds theory , what are the components of supply of loanable funds ?

Question 9

To explain business cycles, who used the concepts of Multiplier and Accelerator ?

Question 10

In an open economy, what do we get by subtracting GDP from GNP ?

Question 11

$C = 3,000$, $I = 1,000$, $G = 500$, $X = 600$, $M = 200$. Find GDP .

Question 12

What is the full form of PPP in the context of determination of exchange rate between two currencies ?

Question 13

What is the full form of GATT ?

Question 14

How will you calculate per cent spread for a currency ?

Question 15

What is the full form of LERMS introduced by the RBI in 1992 in the context of exchange rate arrangement in India ?

Question 16

Which of the following is not an assumption of the Classical Theory?

Question 17

“Supply creates its own demand” is the idea of

Question 18

In Keynesian model of income determination, autonomous investment occurs due to

Question 19

Individuals are counted as unemployed if they have:

Question 20

Inflation is defined as:

Question 21

Stagflation is defined as the “double trouble” of higher inflation combined with an increase in

Question 22

If the Phillips Curve is vertical in the long run, then an increase in the money supply from year to year will _____ the unemployment rate and will _____ inflation rate

Question 23

Which of the following are the common functions of Central Bank?

1. Conduct of monetary policy
2. Lending to the common public
3. Supervision of the stock market
4. Ending to the commercial banks.

Question 24

In a Business Cycle, the opposite of a trough is:

Question 25

The records of exports and imports in goods and services and transfer payments is known as:

Question 26

Exchange rates for one currency against another currency, are known as:

Question 27

When the exchange rate is determined by the market forces of demand and supply, it is known as :

Question 28

A source of supply of foreign exchange is:

Question 29

Point out a merit of the Fixed Exchange rate

Question 30

When was IMF established?