

FOURTH SEMESTER B.A. DEGREE EXAMINATION, APRIL 2019

(CUCBCSS-UG)

Economics

ECO 3C 01 and ECO 4C 01—ESSENTIALS OF ECONOMICS : MONEY BANKING,
FINANCE AND TRADE AND INDIAN ECONOMY

Time : Three Hours

Maximum : 80 Marks

*Answers may be written either in English or in Malayalam.***Section A***Answer all twelve questions.**Each question carries ½ mark.*

1. Who is the present Governor of RBI ?
 - (a) Raguram Rajan.
 - (b) Urjith Patel.
 - (c) Montek Singh Ahluwalia .
 - (d) None of these.
2. MGNREGS stands for :
 - (a) Mahatma Gandhi National Rural Employment Generation Scheme.
 - (b) Mahatma Gandhi Nutrition and Rural Employment Generation Scheme.
 - (c) Mahatma Gandhi National Rural Employment Guarantee Scheme.
 - (d) None of the above.
3. Ratio between supply of money and highpowered money is :
 - (a) Money supply.
 - (b) Money multiplier.
 - (c) Demand for money.
 - (d) Neutral money.
4. Bank decides to take coercive measures against a Commercial bank is called :
 - (a) Moral suasion.
 - (b) Direct action.
 - (c) Credit rationing.
 - (d) Margin.
5. The difference between direct and indirect tax lies in :
 - (a) Impact.
 - (b) Shifting.
 - (c) Incidence.
 - (d) Both shifting and incidence.

6. During the periods of inflation the government should aim at :
- (a) Deficit budgets. (b) Balanced budgets.
(c) Surplus budgets. (d) Zero budget.
7. The concept of functional finance assigns a key role to control cyclical fluctuations in the economy :
- (a) Fiscal policy. (b) Monetary policy.
(c) Compensatory fiscal policy. (d) Debt redemption.
8. Law of increase of state activities was stated by :
- (a) Adam Smith. (b) Adolf Wagner.
(c) Pigou. (d) J.B. Say.
9. When taxes are mildly progressive, it is a :
- (a) Progressive. (b) Proportional.
(c) Regressive. (d) Degressive.
10. Increase in the external value of the domestic currency in terms of other currencies is called :
- (a) Depreciation. (b) Revaluation.
(c) Devaluation. (d) Appreciation.
11. The vent for surplus theory has been provided by :
- (a) Ricardo. (b) Adam Smith.
(c) Leontief. (d) Hecksher Ohlin.
12. When a duty is levied as percentage of the total value of the imported commodity is called ?
- (a) Specific duty. (b) Advalorem duty.
(c) Imported duty. (d) Exported duty.

(12 × ½ = 6 marks)

Section B (Very Short Answer Type Questions)

PART I

Answer any five questions.

13. Distinguish between demand pull and cost push inflation.
14. Explain the determinants of money multiplier.
15. Explain money as a liquid asset.
16. What are the causes of fluctuations in exchange rate ?
17. What are the functions of credit instruments in the banking system ?

18. What are the merits and demerits of indirect taxes ?

PART II

Answer any five questions.

19. What are types of unemployment in India ?
 20. How to reduce the problem of inequality in Indian economy ?
 21. What are the socio economic objectives of five year plans in India ?
 22. What are the features of the agricultural sector in Indian economy ?
 23. Explain the structural changes in Kerala economy.
 24. What are the objectives of land reforms in Kerala ?

(10 × 2 = 20 marks)

Section C (Short Essays)

PART I

Answer any three questions.

25. Critically examine Fischer's quantity theory of money.
 26. Explain the role of commercial banks in a developing economy.
 27. What are the methods of redemption of public debt ?
 28. Explain the effects of devaluation on exports.

PART II

Answer any three questions.

29. What are the achievements of land reforms in India ?
 30. Explain new industrial policy of 1991.
 31. What are the measurements of poverty ?
 32. Explain the achievements of educational sector in Kerala.

(6 × 5 = 30 marks)

Section D (Essay Questions)

PART I

Answer any one question.

33. Discuss the different methods of credit control used by the Reserve Bank of India.
 34. What are the various sources of public revenue ?

PART II

Answer any one question.

35. Explain the impact of economic reforms on Indian agricultural sector.
 36. Describe the role of migration in the development of Kerala economy.

(2 × 12 = 24 marks)