M.E.S's VASANT JOSHI COLLEGE OF ARTS & COMMERCE, ZUARINAGAR - GOA

B.A. (NEP) I SEMESTER END ASSESSMENT (REGULAR), OCTOBER/ NOVEMBER 2024

ECONOMICS (MINOR)

ECO 111 – POLITICAL ECONOMY

Duration: 2 Hours   **Total Marks: 80**

Instructions: (i) All questions are compulsory; however, there are internal choices for
                      Q.2A, Q.3A, Q.4A and Q.5A.
                      (ii) Draw diagrams wherever necessary.
                      (iii) Answer sub-questions in Q.1 in about 50 words each.
                      (iv) Answer sub-questions A and B in about 200 words each.
                      (v) Answer sub-question C in about 100 words each.
                      (vi) Figures to the right indicate maximum marks for the question.

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Q 1) Answer the following in about 50 words each: **(8 x 2 = 16 Marks)**

I) State the concept of economic justice in economics.

II) Define capitalism.

III) State the concept of solidarity in economic theory.

IV) Define the "dream" of a beneficent invisible hand.

V) State the relationship between aggregate demand and supply in macroeconomics.

VI) State the concept of income-expenditure multipliers.

VII) List any two factors contributing to inflation.

VIII) State the law of supply.

Q 2. A) Explain the concept of mutual benefit in international trade. How can trade increase
        global efficiency?   **(6 Marks)**
                                             OR
 Q 2. A) Explain any six causes of unemployment.   **(6 Marks)**

Q 2. B) Explain the role of money and banks in modern economies.   **(6 Marks)**

Q 2. C) Explain the importance of IMF conditionality agreements in shaping the economic
        policies of developing nations.   **(4 Marks)**

Q 3. A) Discuss the effects of the public good game on economic models and how income
        distribution can be influenced by technical change.   **(6 Marks)**

                                             OR

Q 3. A) Discuss the simple corn model.   **(6 Marks)**

Q 3. B) Discuss the concept of the "Pie Principle" in macroeconomics and its implications
        for fiscal policy.   **(6 Marks)**

Q 3. C) Evaluate the economics of international financial crises and their effects on the
        global economy, with a focus on the balance of payments accounts.   **(4 Marks)**

Q 4. A) Critically analyze the fallacy of Say's Law and explain why it is considered outdated in Keynesian economics. **(6 Marks)**

OR

Q 4. A) Analyze how monetary policy can impact the financial and real economies within the framework of fiscal policy. **(6 Marks)**

Q 4. B) Analyze why international investment can sometimes aggravate global inequality, and discuss the potential benefits of international investment for global efficiency. **(6 Marks)**

Q 4. C) Discuss the major misconceptions about free enterprise, and how do these misconceptions affect economic systems? **(4 Marks)**

Q 5. A) Critically analyze the economics of competition and greed, focusing on whether free enterprise is fair and efficient. **(6 Marks)**

OR

Q 5. A) Discuss the relationship between banks and monetary policy within an economy. **(6 Marks)**

Q 5. B) Analyze the concept of 'panic rules' in international financial crises. **(6 Marks)**

Q 5. C) Discuss the economics of equitable co-operation. **(4 Marks)**

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