

Second Semester Internal Examination, February 2026
Minor Course in Economics
ECO6 B13 - Fiscal Policy and Stabilization

Time: 1 Hr

Max Marks: 35

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|--------|-----------------------------|-----------|--|-------------|
| Name: | Ma rks Sc ore d | Section A | | Total Marks |
| Class: | | Section B | | |
| | | Section C | | |

Section A

(Each question carries 3 marks, Max marks for section – 7)

1. Fiscal Policy.
2. Compensatory fiscal policy.
3. Deficit financing.

Section B

(Each question carries 6 marks, Max marks for section – 18)

4. Explain functional finance.
5. Are there any difference between deficit spending and deficit without spending.
6. Elucidate the objectives of anti-inflationary fiscal policy measures.
7. Trace out the meaning and implication of balanced budget and deficit budget.

Section C

(Answer any one question, Each question carries 10 marks)

8. Discuss elaborately the role of fiscal policy for achieving full employment.
9. What is fiscal policy? Explain the major approaches to fiscal policy.