

21U427

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Name: .....

Reg.No: .....

**FOURTH SEMESTER B.A. DEGREE EXAMINATION, APRIL 2023**

(CBCSS - UG)

(Regular/Supplementary/Improvement)

**CC19U ECO4 B06 - MACRO ECONOMICS - II**

(Economics - Core Course)

(2019 Admission onwards)

Time : 2.5 Hours

Maximum : 80 Marks

Credit : 4

**Part A (Short answer questions)**

Answer *all* questions. Each question carries 2 marks.

1. Define ISLM Model.
2. Define inflation.
3. Bring out the effect of inflation on wage earners group in an economy.
4. Define Cyclical unemployment.
5. Define Unemployment rate.
6. Define Okun's law.
7. Define Stagflation.
8. Define Natural Rate of Unemployment.
9. What are the features of business cycle?
10. Define Kuznet's cycle.
11. Define boom and trough period in a business cycle.
12. Define income policy.
13. What are the quantitative instruments of credit control?
14. What is meant by policy mix?
15. What is propagation mechanism.

**(Ceiling: 25 Marks)**

**Part B (Paragraph questions)**

Answer *all* questions. Each question carries 5 marks.

16. Define IS Curve. Explain the shifts in IS curve.
17. Distinguish between wholesale price index and consumer price index measures of Inflation in India.

18. Distinguish between demand pull inflation and cost pull inflation. Bring out the causes of demand pull and cost push inflation.
19. Explain the short run Philips curve.
20. Explain modified Philips curve.
21. Explain Hawtrey's theory of trade cycle.
22. Explain the monetarist interpretation of trade cycle.
23. Explain the major tools of fiscal policy.

**(Ceiling: 35 Marks)**

**Part C (Essay questions)**

Answer any *two* questions. Each question carries 10 marks.

24. Explain the derivation and shifts of LM curve in goods market.
25. Bring out the different types of inflation?
26. Define trade cycle. Critically explain Hayek's overinvestment theory of trade cycle.
27. Explain The Great Recession of 2008 and its causes. Bring out the use of monetary and fiscal policy during the crisis situation.

**(2 × 10 = 20 Marks)**

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