FOURTH SEMESTER B.A. DEGREE EXAMINATION, APRIL 2025

(CBCSS-UG)

(Regular/Supplementary/Improvement)

CC19U ECO4 B06 - MACROECONOMICS - 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 money market.

2. Define IS and LM curve.

3. What is Sectoral inflation?

4. Define Core Inflation

5. Define Bank rate.

6. Define Structural unemployment .

7. What is Usual Status Unemployment?

8. What is Philips curve?

9. Write a note on long run Philips curve.

10. Define NAIRU.

11. What are the features of business cycle?

12. Define Kuznet's cycle.

13. What are the different phases of business cycle?

14. What is moral suasion?

15. Define credit easing.

(Ceiling: 25 Marks)

Part B (Paragraph questions)

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

16. Define inflation. Bring out the effects of inflation in different groups of people in an economy.

17. Distinguish between demand pull inflation and cost pull inflation. Bring out the causes of demand pull and cost push inflation.

18. Explain the major costs of unemployment.

19. Explain the overinvestment theory of trade cycle.

20. What are the implications of the liquidity trap?

21. Explain the monetary policy measures for controlling business cycle.

22. Explain the major tools of fiscal policy.

23. Explain the use of monetary and fiscal policy during the great depression of 2008.

(Ceiling: 35 Marks)

Part C (Essay questions)

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

24. ExplaIn the derivation and shifts of IS curve in goods market.

25. Define inflation. What are the indices used in the measurement of inflation in India?

26. Define trade cycle and bring out its different features. Critically explain Hawtrey's theory of trade cycle.

27. What is IS and LM curve? Explain the relative effectiveness of monetary and fiscal policy.

(2 × 10 = 20 Marks)

****