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Name.....

Reg. No.....

**FOURTH SEMESTER (CBCSS—UG) DEGREE EXAMINATION**  
**APRIL 2024**

Economics

ECO 4B 06—MACRO ECONOMICS—II

(2019 Admission onwards)

Time : Two Hours and a Half

Maximum : 80 Marks

**Section A (Short Answer Questions)**

*Maximum marks in this Section is 25.*

*Students can attempt all questions.*

*Each question carries a maximum of 2 marks.*

1. Demand pull and cost push inflation .
2. Marginal efficiency of investment.
3. Expansionary fiscal policy.
4. SLR and CRR.
5. Three ranges of LM curve.
6. NAIRU.
7. Consumer Price Index.
8. Phases of business cycle.
9. GDP deflator.
10. Stagflation.
11. Monetarism.
12. Deficit financing.
13. Sacrifice ratio.
14. Features of income policy.
15. Recession and depression.

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**Section B (Short Essay/Paragraph Questions)**

*Maximum marks in this Section is 35.*

*Students can attempt all questions.*

*Each question carries a maximum of 5 marks.*

16. Explain meaning and types of unemployment.
17. Examine the features of slopes of IS and LM curves.
18. Explain cost of unemployment and Okun's Law.
19. What are the effects of inflation?
20. Prepare a note on quantitative easing.
21. Describe Keynesian views on business cycle.
22. Explain the measurement of inflation in India.
23. Illustrate shift in IS and LM curves due to changes in taxation, public expenditure and money supply.

**Section C (Long Essay Questions)**

*Answer any two questions.*

*Each question carries a maximum of 10 marks.*

24. Mention the instruments of monetary and fiscal policies. Discuss the interaction between fiscal and monetary policies to attain economic stability.
25. *There is no relationship between unemployment rate and inflation in the long-run.* Discuss and illustrate the statement comparing the relationship between the unemployment and inflation in the short run.
26. Differentiate between goods market and money market. Illustrate how does IS-M model determine equilibrium in goods market and money market.
27. Critically evaluate the monetary theories of trade cycles.

(2 × 10 = 20 marks)