



LOYOLA COLLEGE (AUTONOMOUS), CHENNAI – 600 034

B.A.DEGREE EXAMINATION –ECONOMICS

FIFTH SEMESTER – APRIL 2019

16UEC5MC01– MACRO ECONOMICS - II

Date: 15-04-2019
Time: 09:00-12:00

Dept. No.

Max. : 100 Marks

Part-A

Answer any FIVE in 75 words each

(5X4=20)

1. Why does the IS curve slope downward?
2. What causes a shift in the IS curve?
3. Write a note on Phillips curve.
4. What is meant by inflationary gap?
5. What is business cycle and list out its phases?
6. What is meant by knife edge equilibrium?
7. Write a short note on Harrod warranted growth rate.

Part-B

Answer any FOUR in about 250 words each

(4X10=40)

8. Explain the factors determining the slope of the IS curve?
9. Discuss the features of LM curves.
10. Distinguish between demand pull and cost push inflation.
11. Explain the effects of inflation on production and distribution of income
12. Explain Kaldor's model of the trade cycle.
13. Give the various phases of trade cycle.
14. Explain the relative effectiveness of Cheap and dear monetary policy

Part-C

Answer any TWO in about 900 words each

(2X20=40)

15. Diagrammatically explain the IS-LM model.
16. Explain Bent Hansen's excess demand theory.
17. Discuss critically Samuelson's model of trade cycle.
18. Critically examine Dornbusch's steady growth model

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