

**CARMEL COLLEGE OF ARTS, SCIENCE & COMMERCE FOR WOMEN,
NUVEM-GOA**

SEMESTER END EXAMINATION, APRIL/MAY 2023

Semester: IV OF BA

Course Title: Macroeconomics-II Course Code: ECC 104

Total marks: 80 Date: 04/05/2023 Duration: 2 Hrs Total No of pages: 01

Instructions: 1. Answer all questions as directed.
2. Figures to the right indicate marks

I. Answer any 4 of the following in not more than 100 words. (4x4=16)

1. What do you understand by the IS curve? Why is it downward sloping?
2. Briefly outline any four factors that cause a shift of the IS curve.
3. Why is the LM curve upward sloping?
4. Illustrate graphically the effects of changes in real money supply on the LM curve.
5. What is the AD-AS model about and what are its uses?
6. State the meaning of and types of inflation based on rate of price rise.

II. Answer any 4 of the following in not more than 100 words. (4x4=16)

1. How do sticky wages affect the short run aggregate supply curve?
2. What are the factors affecting long run aggregate supply?
3. Summarize the causes of cost-push and structural inflation.
4. Illustrate graphically the short-run Phillips' curve.
5. What are the features of business cycles?
6. Summarize the purely monetary theory of business cycles.

III. A. Illustrate graphically and explain the derivation of the IS Curve. 12

OR

III. B. Illustrate the effects of an adverse supply shock on general equilibrium. 12

IV.A. Explain the effects of sticky prices and misperceptions on the aggregate supply curve. 12

OR

IV. B. Graphically illustrate and explain the derivation of the AD curve. 12

V. A. Explain graphically the occurrence of inflationary and recessionary gaps. 12

OR

V. B. Explain the reasons for the long run Phillip's curve. 12

VI. A. Discuss Keynes theory of business cycles. 12

OR

model of business cycles. 12