

KATWA COLLEGE
3rd SEMESTER HONOURS COURSE
INTERNAL ASSESSMENT EXAMINATION - 2021

DEPARTMENT: ECONOMICS

SUBJECT: Intermediate Macroeconomics

COURSE CODE: CC6

FULL MARKS – 10

TIME: 12.15 P.M. – 01.00 P.M

DATE: 22.02.2021

Answer any five (5) questions

(5*2=10)

1. What do you mean by Marginal Efficiency of Capital (MEC)?
2. What is Flexible Acceleration Principle of investment?
3. What are the assumptions of Classical theory of employment?
4. Define Say's law.
5. Describe Fisher's Cash Transactions approach of Quantity Theory of Money.
6. a) What do you mean by involuntary employment?
b) According to Keynes, what is full employment?
7. What do you mean by neutrality of money?
8. Define- a) Demand Pull Inflation, b) Hyperinflation.
9. a) Graphically show the short-run and long-run Phillips curve
b) What is Okun's law?
10. What are the main assumptions of Harrod- Domar model?

Answer-script should be mailed to: economicskcd@gmail.com