

Gurudas College

Economics Honours

Semester III Paper-CC6

MACROECONOMICS

Internal Assessment 2021

Full Marks.... 10

Time: 30 minutes

Group A

Answer any four questions (4*1=4)

1. IS curve is normally.....sloped.
 - a. Positively
 - b. Negatively
 - c. Horizontal
 - d. None of the above

2. Is and LM curve is derived from interaction of
 - a. Product market and labour market'
 - b. Product market and money market
 - c. Product market and Reserve bank
 - d. None of the above.

3. According to Says Law
 - a. Supply creates its own demand
 - b. Demand creates its own supply
 - c. Supply is greater than demand
 - d. None of the above.

4. Wage is rigid in thedirection in Keynesian Model
 - a. Upward Direction
 - b. Downward Direction
 - c Horizontal direction
 - d All of the above

5. Monetary Policy is fully effective inZone
 - a. Liquidity Trap
 - b. Keynesian
 - c. Intermediate
 - d. All the above

Group B

Answer any two questions (2*3=6)

5. Explain the process of crowding out effect in the working of fiscal policy.
6. Explain in brief the Efficiency Wage Hypothesis.
7. What is natural level of unemployment? What is the shape of the aggregate supply curve at the natural rate of output