# PG Even Semester Exam, May 2025

## Economics

2nd Semester

COURSE NO. ECO-552

**[ Macroeconomic Analysis- II ]**

Full Marks : 70
Pass Marks : 28

Time : 3 hours

*The figures in the margin indicate full marks for the questions*

*Answer five questions, taking one from each Unit*

UNIT-I

1. What is Phillips Curve? What modifications have been brought to the original Phillips curve? Explain. 6+8=14

2. Distinguish between demand-pull inflation and cost push inflation and elaborate the distinction with the help of diagrams. 14

UNIT-III

3. Derive the relations between nominal money supply and high powered money. What role is played by the instrument of legal minimum reserve ration in regulation of credit and money supply in a macro economy. Elaborate. 7+7=14

Turn over

4. In the case of demand shocks in a macroeconomy, which kind of targeting by a monastery authority is befitting to bring back the macroeconomy to equilibrium and why? Discuss with diagrams . 14

## UNIT-III

5. Define warranted growth rate. Explain the properties of warranted growth rate of Harrod's model. 4+10=14

6. Discus the neoclassical growth model. 14

## UNIT-IV

7. a. What are the components of the Balance of payments (BOP) of a country? 5

   b. How does exchange rate change affect BoP of a country? 4

   c. Write a note on the slope of BoP equilibrium curve. 5

8. Discuss the relative effective of moneastry and fiscal policy in the light of Mundel-Fleming model. 14

## UNIT-V

9. Distinguish between Kaldorian Cobb-web model and Schumpeterian innovation model of business cycles in detail, with diagrams. 14

10. Write short notes on (any two) : 7x2=14

    a. Real model of business cycle

    b. Political model of business cycle.

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