

QP Code: D143687	Total Pages: 2	Name: Register No.
FOURTH SEMESTER (CUFYUGP) DEGREE EXAMINATION, APRIL 2026		
ECONOMICS/DEVELOPMENT ECONOMICS/ECONOMETRICS AND DATA MANAGEMENT/ECONOMICS WITH FOREIGN TRADE /ECONOMICS WITH ISLAMIC FINANCE		
ECO4CJ204 INTERMEDIATE MACRO ECONOMICS		
2024 Admission onwards		
Maximum Time :2 Hours		Maximum Marks :70
Section A		
All Questions can be answered. Each Question carries 3 marks (Ceiling : 24 Marks)		
1	Explain the Equation of Exchange in the Classical Quantity Theory of Money and its components.	
2	Describe the main determinants of equilibrium output and employment in the Classical model.	
3	State the equilibrium condition in the simple Keynesian model and explain it briefly.	
4	Name and explain the four components of Aggregate Demand in Keynesian economics.	
5	Explain the three motives for holding money according to Keynesian theory.	
6	Define the LM curve in a closed economy and explain what it represents.	
7	Define the IS curve and explain its significance in the product market.	
8	Explain the relationship between inflation and unemployment as shown by the Phillips curve.	
9	What is wage rigidity in the labour market? Explain with a reason why it occurs.	
10	Mention and briefly explain three factors that can shift the Aggregate Supply curve.	
Section B		
All Questions can be answered. Each Question carries 6 marks (Ceiling : 36 Marks)		
11	Explain the fiscal and monetary policy implications of the Classical model.	
12	Explain how the equilibrium interest rate is determined in the Classical system.	
13	Analyse the role of fiscal stabilization policy in the Keynesian model. How does government spending and taxation influence the economy?	
14	Briefly discuss the multiplier effect.	
15	Explain the Keynesian theory of interest rates.	
16	Explain how the IS-LM model is extended for an open economy.	
17	Explain the concept of underemployment equilibrium in orthodox Keynesian economics.	
18	Describe the Flexible Price-Fixed Money Wage Model.	

Section C**Answer any ONE . Each Question carries 10 marks (1x10=10 Marks)**

19	Explain how the IS and LM schedules are derived, and discuss how their intersection determines equilibrium output and interest rate in the product and money markets. Briefly mention what can cause the curves to shift.
20	Compare the Classical and Keynesian views of labour supply, and explain the concept of wage rigidity in the contractual view of the labour market