

**Fourth Semester Internal Examination, February 2026**  
**MAJOR Course in ECONOMICS**  
**<INTERMEDIATE MACRO ECONOMICS>**  
**ECO4CJ204**

Time: 1 Hr

Max Marks: 35

Name:	Marks Scored	Section A		Total Marks
Class:		Section B		
		Section C		

**Section A**

(Each question carries 2 marks, Max marks for section – 8)

1. Liquidity trap?
2. What is crowding out effect?
3. Explain fiscal policy?
4. Define quantity theory money?
5. What is Classical Revolution?

**Section B**

(Each question carries 6 marks, Max marks for section – 12)

6. Evaluate real theory of interest?
7. Critically evaluate policy implication of the classical equilibrium model?
8. Explain the importance of effective demand?

**Section C**

(Answer any one question, Each question carries 10 marks)

9. Essay on quantity theory of money?
10. Define the General Equilibrium in the IS-LM model. Explain how the simultaneous equilibrium in the product (goods) market and the money market determines the equilibrium level of income and the interest rate?