

SIXTH SEMESTER (CUCBCSS—UG) DEGREE EXAMINATION, MARCH 2022**Economics****ECO 6E 03—ECONOMICS OF BUSINESS AND FINANCE**

(2014—2018 Admissions)

Time : Three Hours

Maximum : 80 Marks

*Answers may be written either in English or in Malayalam.***Section A (Objective Type Questions)***Answer all twelve questions.**Each question carries ½ mark.*

1. The father of managerial economics is :
 - (a) Adam Smith.
 - (b) Karl Marx.
 - (c) Spencer.
 - (d) Joel Dean.
2. The statement of financial position of a firm at a given point of time is :
 - (a) Balance sheet.
 - (b) Profit and Loss Account.
 - (c) Cash flow statement.
 - (d) Income statement.
3. Cobb - Douglas production function is an example of _____.
 - (a) Input output mix.
 - (b) Linear production function.
 - (c) Non-linear production function.
 - (d) Upward sloping function.
4. Most common form of price discrimination is _____.
 - (a) First degree.
 - (b) Second degree.
 - (c) Third degree.
 - (d) None of these.
5. Decision relating to production scheduling involve :
 - (a) Short term forecasting.
 - (b) Medium term forecasting.
 - (c) Long term forecasting.
 - (d) Both (a) and (b).
6. The degree of price discrimination was popularised by :
 - (a) Joan Robinson.
 - (b) Pigou.
 - (c) Jevons.
 - (d) Marshall.

7. The cost of next best alternative is called _____.
- (a) Opportunity cost. (b) Marginal cost.
(c) Total cost. (d) Sunk cost.
8. The short run production function is called _____.
- (a) Production possibility curve. (b) Returns to scale.
(c) Law of variable proportions. (d) None of these.
9. Computation of future value of money is called :
- (a) Compounding. (b) Discounting.
(c) Adding up. (d) Forecasting.
10. Entry preventing price is called _____.
- (a) Limit price. (b) Penetration price.
(c) Full cost price. (d) Psychological price.
11. Which of the following is a rectangular hyperbola :
- (a) ATC. (b) AVC.
(c) AFC. (d) MC.
12. When total product is maximum, marginal product is :
- (a) Positive. (b) Negative.
(c) Maximum. (d) Zero.

(12 × ½ = 6 marks)

Section B (Very Short Answer Questions)

Answer any ten questions.

Each question carries 2 marks.

13. Define Economics.
14. Define business economics.
15. What are financial instruments ?
16. What do you mean by balance sheet ?
17. Why does money have time value ?
18. What is demand forecasting ?

19. What is production function.
20. Distinguish between internal and external economics.
21. Define cost function.
22. Distinguish between prime cost and overhead cost.
23. Write a note on price discrimination.
24. What is price skimming ?

(10 × 2 = 20 marks)

Section C (Short Essay Questions)

Answer any six questions.

Each question carries 5 marks.

25. Write a note on the nature and scope of managerial economics.
26. Explain the importance of investments in modern world.
27. How does the investment process contribute to economic efficiency ? Explain different stages of investment process.
28. Distinguish between short run and long run production function.
29. What are the different types of financial ratios ?
30. Explain different concepts of costs.
31. What are the important survey methods for forecasting demand ? Explain their merits and demerits.
32. Distinguish between compounding and discounting.

(6 × 5 = 30 marks)

Section D (Essay Questions)

Answer any two questions.

Each question carries 12 marks.

33. What is Balance Sheet ? Discuss the various asset and liability accounts found on a company's Balance Sheet.
34. Explain the break even analysis in the profit planning. What are the uses of break-even analysis ?
35. What is capital budgeting ? Explain briefly the methods of capital budgeting.
36. What is Cobb-Douglas production function ? What are its limitations ?

(2 × 12 = 24 marks)

SIXTH SEMESTER (CUCBCSS—UG) DEGREE EXAMINATION, MARCH 2022**Economics****ECO 6E 01—ENVIRONMENTAL ECONOMICS**

(2014—2018 Admissions)

Time : Three Hours

Maximum : 80 Marks

Section A (Objective Type Questions)*Answer all twelve questions.**Each question carries ½ mark.*

1. Ozone layer lies in :
 - (a) Exosphere.
 - (b) Stratosphere.
 - (c) Mesosphere.
 - (d) Troposphere.
2. Montreal protocol to reduce production of chlorofluorocarbons was assigned in :
 - (a) 1987.
 - (b) 1977.
 - (c) 1997.
 - (d) 2007.
3. Which of the following is a non market based policy instruments for environment regulation :
 - (a) Command and control.
 - (b) Pigouvian tax.
 - (c) Tradable pollution permit.
 - (d) Pollution tax.
4. Which one of the following is an example of non-renewable resources ?
 - (a) Wind.
 - (b) Vegetation.
 - (c) Coal and minerals.
 - (d) Solar energy.
5. When there are negative externalities, the price should be adjusted so that it is equal to :
 - (a) Social cost.
 - (b) Private cost.
 - (c) The amount of the externality.
 - (d) Zéro.
6. Social, economical and ecological equity is the necessary condition for achieving :
 - (a) Social development.
 - (b) Economical development.
 - (c) Sustainable development.
 - (d) Ecological development.

Turn over

7. Which of the following is an example of positive externality ?
- (a) Public vaccination. (b) Cigarette smoking.
(c) Loud stereos in college. (d) Automobile emissions.
8. When did India ratify for the Stockholm Convention ?
- (a) 2001. (b) 2003.
(c) 2004. (d) 2005.
9. Pollution is an example of market failure because :
- (a) The equilibrium price is higher than the efficient price.
(b) The equilibrium price is less than the efficient price.
(c) Property rights are poorly distributed.
(d) The market does not produce enough of the good.
10. Which of the following gases contributes maximum to the 'Greenhouse effect on earth ?
- (a) Carbon dioxide. (b) Methane.
(c) Chlorofluorocarbons. (d) Freon.
11. Acid rain is caused by an increase in the atmospheric concentration of ?
- (a) Ozone and dust. (b) SO and NO .
(c) SO and CO. (d) CO and CO.
12. Number of people that lives in square kilometer of land is classified as :
- (a) Housing density. (b) Society density
(c) Population intensity. (d) Population density.

(12 × ½ = 6 marks)

Section B (Very Short Answer Questions)

Answer any ten questions.

Each question carries 2 marks.

13. What is Command and Control (C and C) method for regulating negative externality ?
14. What is meant by Green house gas effect ?
15. Explain the concept of marginal social cost.
16. Justify the need for environmental economics.

17. What is social welfare economics ?
18. What is meant by solid waste ?
19. What are the objectives of Aarhus Convention ?
20. Trace the causes of Ozone layer depletion.
21. What are the important non renewable energy resources ?
22. Distinguish between positive production externality and consumption externality.
23. What is meant by population explosion ?
24. What is Brundtland commission report ?

(10 × 2 = 20 marks)

Section C (Short Essay Questions)

Answer any six questions.

Each question carries 5 marks.

25. Analyze the impact of urbanization and population on environment.
26. What is environmental Kuznets curve ?
27. Trace the inter- linkage between economy and environment.
28. What is Pareto optimality ? Explain the conditions of Pareto optimality.
29. Discuss the Hedonic pricing method of environment valuation.
30. What are the different types of environmental pollution ?
31. Discuss the travel cost method of environmental valuation.
32. Analyze the causes and effects of global warming.

(6 × 5 = 30 marks)

Section D (Essay Questions)

Answer any two questions.

Each question carries 12 marks.

33. Explain the nature, scope and subject matter of Environmental economics.
34. Discuss the merits and demerits of Contingent Valuation Method (CVM).
35. Analyze the various elements and need for sustainable development.
36. Discuss the various international conventions and protocols for the protection of environment.

(2 × 12 = 24 marks)

**SIXTH SEMESTER (CUCBCSS—UG) DEGREE EXAMINATION
MARCH 2022**

Economics

ECO 6B 14—DEVELOPMENT ECONOMICS

(2014—2018 Admissions)

Time : Three Hours

Maximum : 80 Marks

Section A (Objective Type Questions)

Answer all the twelve questions.

Each question carries 1 mark.

1. Which of the following measure of inequality summarizes the extent of inequality into a number ?
 - (a) Lorenz curve.
 - (b) Gini Coefficient.
 - (c) Kuznet's ratio.
 - (d) None of these.
2. The concepts of SOC and DPA are connected with which of the following growth strategy :
 - (a) Balanced growth.
 - (b) Unbalanced growth.
 - (c) Entitlement approach.
 - (d) Endogenous growth.
3. The primary cause of acid rain around the world is :
 - (a) Carbon dioxide.
 - (b) Carbon monoxide.
 - (c) Sulphur dioxide.
 - (d) Ozone.
4. The synchronized application of capital to a wide range of different industries is called :
 - (a) Balanced growth.
 - (b) Unbalanced growth.
 - (c) Todaro model.
 - (d) Dependency theory.
5. Who among the following is associated with Gandhian economics ?
 - (a) JRD Tata.
 - (b) Jean Dreze.
 - (c) Kumarappa.
 - (d) Amartya Sen.

Turn over

6. Ozone day is observed on :
- (a) January 03. (b) March 26.
(c) November 10. (d) September 16.
7. Which of the following is the most deplorable form of poverty ?
- (a) Relative poverty. (b) Absolute poverty.
(c) Abject poverty. (d) Situational poverty.
8. The book 'Planned economy for India' is written by :
- (a) N. Kaldor. (b) M. Viswesvaraya.
(c) M. N. Roy. (d) Mahalanobis.
9. The Inverted 'U' hypothesis of Simon Kuznets is used to depict :
- (a) Poverty. (b) Inequality.
(c) Consumption expenditure. (d) Public expenditure.
10. The World Development Report (WDR) is published by :
- (a) World bank. (b) UN.
(c) WHO. (d) UNCTAD.
11. People's plan is associated with :
- (a) M. N. Roy. (b) JRD Tata.
(c) Visweswaraya. (d) Shriman Narayan.
12. During the five year plan era, final approval for plans were given by :
- (a) Planning commission. (b) Finance ministry.
(c) CSO. (d) NDC.

(12 × ½ = 6 marks)

Section B (Very Short Answers)

*Answer any ten questions.
Each question carries 2 marks.*

13. Trace the origin of Bombay plan.
14. Explain the Gender Development Index (GDI).

15. Define Kuznet ratio.
16. What are the different forms of economic inequality ?
17. Summarize different types of poverty.
18. Examine the purpose of Lorenz curve.
19. What is meant by take-off ?
20. Brief the Head count Index.
21. What is meant by vicious circle of poverty ?
22. Distinguish between stimulants and shocks.
23. What is meant by indivisibilities in demand and supply ?
24. What is NITI Aayog ?

(10 × 2 = 20 marks)

Section C (Short Essays)

Answer any six questions.

Each question carries 5 marks.

25. Discuss the causes and effects of global warming.
26. Discuss the five stages of growth of WW Rostow.
27. Critically examine the big push growth strategy.
28. Examine the tradeoff between economic growth and environment quality.
29. Examine the different components of sustainable development.
30. Critically examine the Low level equilibrium trap thesis.
31. What are the important characteristics of a Less Developed Country ?
32. What are the important measures of economic development? Which one is the most widely accepted measure of economic development ?

(6 × 5 = 30 marks)

Turn over

Section D (Essays)

Answer any two questions.

Each question carries 12 marks.

33. Critically examine the various alternative measures of economic development
34. Discuss the Critical Minimum Effort thesis.
35. Examine the relative merits and demerits of different types of planning.
36. "Deliberate unbalancing of the economy according to some pre-designed strategy is a best way to achieve economic development". Discuss.

(2 × 12 = 24 marks)

SIXTH SEMESTER (CUCBCSS—UG) DEGREE EXAMINATION, MARCH 2022

Economics

ECO 6B 13—PUBLIC FINANCE

(2014 to 2018 Admissions)

Time : Three Hours

Maximum : 80 Marks

Section A*Answer all twelve questions.**Each question carries ½ mark.*

1. A free rider is _____.
 - (a) A person who gets to enjoy a public good without having to pay for it.
 - (b) A person who is eligible for free rides on public transportation.
 - (c) A person eligible for transfer Payments.
 - (d) A Taxpayer.
2. Which of the following consists of the total or accumulated borrowings by the Government ?
 - (a) Budget surplus.
 - (b) Government debt.
 - (c) Balanced budget.
 - (d) Budget deficit.
3. Government's share of public expenditure has _____ since 1947 in India.
 - (a) Decreased.
 - (b) Increased.
 - (c) Stayed The Same.
 - (d) Equaled zero.
4. Which of the following holds that individuals should be taxed in proportion to the benefit they receive from government programs ?
 - (a) Ability-to-pay principle.
 - (b) Horizontal equity principle.
 - (c) Vertical equity principle.
 - (d) Benefit principle.
5. When a good is excludable, it means _____ ?
 - (a) The good is consumed exclusively by the private sector.
 - (b) The government is excluded from providing that good.
 - (c) Non-payers can be excluded from receiving the benefits.
 - (d) Certain suppliers can be excluded from providing that good.

Turn over

6. Dev makes Rs. 30,000 per year and pays Rs. 6,000 in income taxes. Raj makes Rs. 40,000 and pays Rs. 7,000 in income taxes. This is an example of :
- (a) A Progressive Tax. (b) A Proportional Tax.
(c) A Regressive Tax. (d) A Degressive Tax.
7. Which of the following describes the situation where revenues and expenditures are equal during a given period ?
- (a) Budget Surplus. (b) Balanced Budget.
(c) Budget Deficit. (d) Budgetary Deficit.
8. Taxation is a tool of _____.
- (a) Fiscal Policy. (b) Monetary Policy.
(c) Income Policy. (d) Supply-side Policy.
9. Who defined Public Finance as a dull, unimaginative, extremely limited and almost irrelevant discipline ?
- (a) J.M. Buchanan. (b) H. Dalton.
(c) R.A. Musgrave. (d) E. Lindhal.
10. Public goods are characterized by :
- (a) Absence of Free Riders. (b) Non-rivalry.
(c) Excludability. (d) All of the above.
11. Consider the following statements and identify the right ones :
- 1) The 14th Finance Commission is headed by C. Rangarajan.
2) Recommendations of the Commission will come into effect from April 1, 2015.
- (a) 1) only. (b) 2) only.
(c) Both. (d) None.
12. Indian Income tax is an example of _____.
- (a) A Progressive Tax. (b) A Proportional Tax.
(c) A Regressive Tax. (d) A Degressive Tax.

(12 × ½ = 6 marks)

Section B (Very Short Answer Type Questions)

*Answer any ten questions.
Each question carries 2 marks.*

13. Public Finance.
14. Tax Evasion.

15. External Debt.
16. Horizontal Equity.
17. Shifting Of Taxation.
18. Any Four Major Taxes Imposed By Local Self-Governments in India.
19. Fiscal Policy.
20. Private Goods with example.
21. Federal Finance.
22. Deficit Financing.
23. Performance budgeting.
24. Primary deficit.

(10 × 2 = 20 marks)

Section C (Short Essay Questions)

*Answer any six questions.
Each question carries 5 marks.*

25. What are the merits and demerits of direct taxes ?
26. Detail Wagner's Law of Increasing Public Expenditure.
27. What are the canons of taxation ?
28. What does the Principle of Maximum Social Advantage deal with ?
29. What is the difference between progressive and proportional taxation ?
30. Distinguish between public finance and private finance.
31. Briefly explain the different types of public debt.
32. Differentiate between public and private goods.

(6 × 5 = 30 marks)

Section D (Essay Questions)

*Answer any two questions.
Each question carries 12 marks.*

33. Explain in detail the key recommendations of the 14th Finance Commission.
34. Discuss the objectives and role of fiscal policy in developing countries.
35. Discuss the major sources of revenue of the governments.
36. Discuss the effect of public expenditure based on Central transfers in India in the context of changing Centre-State financial relations.

(2 × 12 = 24 marks)

SIXTH SEMESTER (CUCBCSS-UG) DEGREE EXAMINATION, MARCH 2022

Economics

ECO 6B 12—MATHEMATICAL ECONOMICS

(2014 to 2018 Admissions)

Time : Three Hours

Maximum : 80 Marks

*Answers may be written either in English or in Malayalam.***Part A***Answer all questions.**Each question carries ½ mark.*

1. In graphical solutions of linear inequalities, solution can be divided into :
 - (a) One subset.
 - (b) Two subsets.
 - (c) Three subsets.
 - (d) Four subsets.
2. What is a , if $B = \begin{bmatrix} 1 & 4 \\ 2 & a \end{bmatrix}$ is a singular matrix ?
 - (a) 5.
 - (b) 6.
 - (c) 7.
 - (d) 8.
3. If $A = \begin{bmatrix} 2i & i \\ i & -i \end{bmatrix}$ then $|A| = ?$
 - (a) 2.
 - (b) 3.
 - (c) 4.
 - (d) 5.
4. If marginal costs equal average total costs :
 - (a) Average total costs are falling.
 - (b) Average total costs are maximized.
 - (c) Average total costs are rising.
 - (d) Average total costs are minimized.
5. A consumer product has a Price Elasticity of Demand of -0.12 . Which of the following factors would not help to explain this ?
 - (a) There are few substitutes available.
 - (b) Any substitutes there are have higher prices.
 - (c) The product accounts for a small percentage of consumer expenditure.
 - (d) The product is a normal good.

Turn over

6. Which of the following statements about graphs of short-run costs curves is false ?
- The AFC at each output equals the gap between the SAC and AVC curves at that output.
 - The SMC curve lies above the MVC curve.
 - The MVC curve intersects the lowest point on the AVC curve.
 - The SMC curve intersects the lowest point on the SAC curve.
7. The price of product X falls and this change increases the demand for product Y, then :
- X and Y are complements.
 - X and Y are substitutes.
 - X is an inferior good.
 - Y is an inferior good.
8. In linear equation ' $ax + by = c$ ' a and b cannot be equal :
- To rational numbers.
 - To one.
 - To zero.
 - Set of even numbers.
9. Matrix having only one row is classified as :
- Row vector.
 - Column vector.
 - Dimension vector.
 - Direction vector.
10. In matrices, inter-industry demand is summarized as :
- Input-output matrix.
 - Output-input matrix.
 - Linear buying matrix.
 - Linear selling matrix.
11. According to determinant properties, multiple of one row is added to another row then determinant :
- Changed.
 - Unchanged.
 - Multiplied.
 - Added.
12. In transpose of matrix A, columns of matrix A becomes :
- Multiple column.
 - Rows.
 - Multiples.
 - Divisors.

(12 × ½ = 6 marks)

Part B (Very Short Answer Questions)

*Answer any ten questions.
Each question carries 2 marks.*

- If $a = 100$ and $b = 2$, obtain the linear supply function.
- Define Utility function.
- Define price elasticity of demand.
- Define consumer equilibrium.

17. Define income elasticity.
18. Explain homogeneous production function.
19. Define Marginal utility.
20. Explain the properties of Cobb Douglas production function.
21. Define Marginal Rate of Substitution.
22. Write a note on marginal and total revenue.
23. Write a note on measurement of elasticity of demand.
24. Explain production possibility curve.

(10 × 2 = 20 marks)

Part C (Short Essay Questions)

Answer any six questions.

Each question carries 5 marks.

25. If $D = -50p + 250$ and $S = 25p + 25$ are the demand and the supply functions of a certain product. Plot both the curves on a graph sheet and obtain both the equilibrium price and quantity.
26. Explain the conditions of market equilibrium.
27. If $D = 600 - 100p$ stands for the law of demand then find the elasticity of demand when price is 4.
28. Write a note on Leontief input-output analysis.
29. Determine the equation of the straight line if y intercept is -5 and slope is $(-5/8)$.
30. Explain the conditions for price output determination under monopoly.
31. Explain the various methods for measuring elasticity of demand.
32. Explain short run production function.

(6 × 5 = 30 marks)

Part D (Essay Questions)

Answer any two questions.

Each question carries 12 marks.

33. Explain supply and demand function of a certain commodity are $S = 50 + 2P$ and $D = 100 - 3P$ respectively :
 - (i) Calculate equilibrium price and quantity.
 - (ii) When an advalorem tax of 50 % is levied, calculate the new equilibrium price and quantity ?
 - (iii) If a specific tax of Rs. 5 per unit is imposed. Calculate new equilibrium values.

Turn over

34. The monopolist's demand curve is $X = 200 - 2p$, or $p = 100 - 0.5X$. The costs of the two plants are $C_1 = 10x_1$ and $C_2 = 0.25x_2^2$. Find the profit of the firm at this level of output.
35. Solve the following LPP graphically :
- Minimize $C = 6x_1 + 11x_2$
subject to the constraints
- $$2x_1 + x_2 \geq 104$$
- $$x_1 + 2x_2 \geq 76$$
- $$x_1, x_2 \geq 0.$$
36. Explain the necessary and sufficient conditions for equilibrium of a firm under perfect competition.

(2 × 12 = 24 marks)

SIXTH SEMESTER (CUCBCSS—UG) DEGREE EXAMINATION, MARCH 2022

Economics

ECO 6B 11—MACRO ECONOMICS—II

(2014—2018 Admissions)

Time : Three Hours

Maximum : 80 Marks

*Answers may be written either in English or in Malayalam.***Part A***Answer all questions.**Each question carries ½ mark.*

1. It is impossible to increase the level of output due to monetary policy, if the LM curve is :
 - (a) Perfectly elastic.
 - (b) Perfectly inelastic.
 - (c) Relatively elastic.
 - (d) Relatively inelastic.
2. The demand for money for active cash balance is :
 - (a) Positively related to income level.
 - (b) Negatively related to interest rate.
 - (c) Positively related to income level and interest rate.
 - (d) Negatively related to income level and interest rate.
3. IS Curve shift forward when :
 - (a) Investment function shift forward and saving function shift forward.
 - (b) Investment function shift forward and saving function shift backward.
 - (c) Investment function shift backward and saving function shift backward.
 - (d) Investment function shift backward and saving function shift forward.
4. According to Baumol's theory of demand for money :
 - (a) Transaction demand for money is interest inelastic.
 - (b) Speculative demand for money is interest inelastic.
 - (c) Transaction demand for money is interest elastic.
 - (d) Speculative demand for money depends on level of income.

Turn over

5. A rapid and decisive reduction in growth rate of money supply aimed at reducing the rate of inflation :
- (a) Disinflation. (b) Cold turkey.
(c) Built-in-stabilizers. (d) Taylor rule.
6. The concept of inflationary gap was first developed by :
- (a) J. M. Keynes. (b) David Ricardo.
(c) Milton Friedman. (d) H. G. Johnson.
7. _____ is the aggregate stock of money during a period of time.
- (a) Narrow Money. (b) Outside Money.
(c) High Powered Money. (d) None of the above.
8. The concept of inflationary gap was given by _____.
- (a) Wicksell. (b) Keynes.
(c) Milton Friedman. (d) A. W. Phillips.
9. Which of the following is not an essential characteristic of business cycle ?
- (a) Recurrent nature. (b) Cumulative in effect.
(c) Regular. (d) All pervading in their impact.
10. The amount by which the real Gross domestic product, or real GDP, exceeds potential GDP, is referred to as
- (a) Inflationary gap. (b) Deflationary gap.
(c) Recessionary gap. (d) None of these.
11. Bottle-neck inflation is a situation that sets in _____.
- (a) After the point of full employment.
(b) Before the point of full employment.
(c) After imposing price controls.
(d) During war period.
12. If the government's anti inflationary policy is not viewed as credible, it results in :
- (a) Self-fulfilling inflation. (b) Deflation.
(c) Disinflation. (d) Stable prices.

(12 × ½ = 6 marks)

Part B (Very Short Answer Questions)*Answer any ten questions.**Each question carries 2 marks.*

13. What are the properties of IS Curve ?
14. Describe the phases of business cycle.
15. What is meant by fiscal stabilization policy ?
16. Monetary base.
17. Money multiplier.
18. Velocity of circulation.
19. IS-LM Curve.
20. Disguised unemployment.
21. Sacrifice ratio.
22. Devaluation of currency.
23. Okun's law.
24. Philips curve.

(10 × 2 = 20 marks)**Part C (Short Essay Questions)***Answer any six questions.**Each question carries 5 marks.*

25. What is the purpose of computing GNP deflator ?
26. Explain Friedman's re-statement of quantity theory of money ?
27. What is meant by 'Inflationary Gap' ?
28. What is the superiority of cash balance approach over transaction approach to demand for money ?
29. Distinguish between demand pull inflation and cost push inflation.
30. Explain Fisher's quantity theory of money.
31. Examine unemployment inflation trade-off.
32. Describe the monetary theory of business cycle.

(6 × 5 = 30 marks)**Turn over**

Part D (Essay Questions)

*Answer any two questions.
Each question carries 12 marks.*

33. Illustrate General Equilibrium using IS-LM curves.
34. What are the differences between Fisherian and Cambridge versions of quantity theory of money ?
35. Describe the measures to control inflation and deflation in an economy.
36. Illustrate the trade-off between inflation and unemployment. Bring out its policy implications.

(2 × 12 = 24 marks)