Econ 2301 - Fall 2010 - HW06 Answer Section

MULTIPLE CHOICE

1.	ANS:		PTS:		DIF:	1 id aggregate su	REF:	33-0	
		Aggregate der				iu aggregate suj		Interpretive	
\mathbf{r}	ANS:		PTS:		DIF:	1	REF:	*	
۷.		Б Analytic				nd aggregate su		55-1	
		Business cycle		Aggregate del		Definitional	рргу		
2	ANS:	•	PTS:	1		1	REF:	22.1	
5.						nd aggregate su		55-1	
		Real GDP		Definitional	nanu ai	id aggregate su	ppiy		
1	ANS:		PTS:		DIF:	1	REF:	33_2	
4.						nd aggregate su		33-2	
		Aggregate der				,		Definitional	
5	ANS:		PTS:			1	REF:		
5.		Analytic				nd aggregate su		552	
		Price level		Definitional	nund ui	la uggregute suj	pp1		
6.	ANS:		PTS:		DIF:	1	REF:	33-2	
0.		-				nd aggregate su			
			Aggregate demand and aggregate s					Definitional	
7.			PTS:		DIF:		REF:	33-2	
	NAT:	Analytic	LOC:	Aggregate der	nand ar	nd aggregate su	pply		
		Aggregate-der				Interpretive			
8.	ANS:	D	PTS:	1	DIF:	2	REF:	33-3	
	NAT:	Analytic	LOC:	Aggregate der	nand ar	nd aggregate su	pply		
	TOP:	Aggregate der	nand		MSC:	Interpretive			
9.	ANS:	D	PTS:	1	DIF:	1	REF:	33-3	
	NAT: Analytic LOC: Aggregate de				mand and aggregate supply				
	TOP:	Aggregate der		MSC:					
10.	ANS:	D	PTS:		DIF:		REF:	33-3	
		Analytic		Aggregate der	mand and aggregate supply				
	TOP:	Wealth effect				Analytical			
11.			PTS:		DIF:		REF:	33-3	
		Analytic				oolicy			
		FOP: Aggregate demand shifts Fiscal po						Applicative	
12.	ANS:		PTS:		DIF:		REF:	33-3	
		Analytic	• • •						
		Aggregate der		•				Analytical	
13.	ANS:		PTS:		DIF:		REF:	33-4	
NAT: Analytic LOC: Aggregate demand and						pply			
		Long-run aggr	-			Interpretive			
14.	ANS:		PTS:		DIF:		REF:	33-5	
		Analytic				nd aggregate su	pply		
	TOP:	Short-run equilibrium			MSC:	Analytical			

15.	ANS: NAT·		PTS: LOC [.]		DIF: nand a	2 nd aggregate su	REF:	33-5
						nodel		Analytical
16	ANS:			1		3	REF:	-
10.						nd aggregate su		55.5
				ifts Optimism		ina uggregate suj		Analytical
17	ANS:		PTS:	-	DIF:	1	REF:	-
17.						nd aggregate su		
						on		Applicative
18.	ANS:		PTS:		DIF:		REF:	
	NAT:	Analytic			nand a	nd aggregate su		
		Short-run equ				Applicative		
19.	ANS:	-			DIF:		REF:	34-1
	NAT:			The role of mo	oney		TOP:	Classical dichotomy
	MSC:	Interpretive			•			-
20.	ANS:	D	PTS:	1	DIF:	2	REF:	34-1
	NAT:	Analytic	LOC:	Aggregate der	nand a	nd aggregate su	pply	
	TOP:	Aggregate-der	mand cu	irve Expected	inflati	on	MSC:	Interpretive
21.	ANS:	А	PTS:	1	DIF:	2	REF:	34-1
	NAT:	Analytic	LOC:	Aggregate der	nand a	nd aggregate su		
	TOP:	Aggregate-der	mand cu	irve Money su	ipply		MSC:	Interpretive
22.	ANS:	В	PTS:	1	DIF:	2	REF:	34-1
		Analytic	LOC:	Monetary and	fiscal	policy	TOP:	Money market equilibrium
		Analytical						
23.	ANS:		PTS:		DIF:	2	REF:	
		Analytic	LOC:	The role of mo	oney		TOP:	Money market
		Analytical						
24.	ANS:		PTS:		DIF:		REF:	
		Analytic	LOC:	Monetary and	fiscal	policy	TOP:	Interest-rate effect
~ ~		Definitional	586		B H			
25.	ANS:		PTS:		DIF:		REF:	
		Analytic	LOC:	Monetary and	fiscal	policy	TOP:	Interest-rate effect
26		Analytical	DTC	1	DIE	1	DEE.	34.0
26.	ANS:		PTS:		DIF:		REF:	
		Analytic Definitional	LUC:	Monetary and	Inscal	policy	TOP:	Fiscal policy
77	ANS:		PTS:	1	DIF:	2	REF:	34.2
21.		D Analytic		Monetary and				Multiplier effect
		Interpretive	LOC.	wonctary and	IIScal	policy	101.	Multiplier encet
28.	ANS:	•	PTS:	1	DIF:	1	REF:	34-2
20.		Analytic		The role of mo		1		Theory of liquidity preference
		Interpretive	LUC.		JIICy		101.	Theory of inquiaity preference
29.	ANS:	-	PTS:	1	DIF:	1	REF:	34-2
27.		Analytic		Monetary and				Multiplier
		Interpretive		uid		r J		F
30.	ANS:	-	PTS:	1	DIF:	2	REF:	34-2
		Analytic		Monetary and				Fiscal policy
		Analytical		5		~ ~		
		-						

31.	ANS: A	PTS: 1 DIF: 1	REF: 34-2
	NAT: Analytic	LOC: Monetary and fiscal policy	TOP: Taxes
	MSC: Applicative		
32.	ANS: D	PTS: 1 DIF: 1	REF: 34-2
	NAT: Analytic	LOC: Monetary and fiscal policy	TOP: Fiscal policy Aggregate supply
	MSC: Interpretive		
33.	ANS: D	PTS: 1 DIF: 3	REF: 34-3
	NAT: Analytic	LOC: Monetary and fiscal policy	TOP: Fiscal policy
	MSC: Analytical		
34.	ANS: C	PTS: 1 DIF: 2	REF: 34-3
	NAT: Analytic	LOC: Monetary and fiscal policy	TOP: Automatic stabilizers
25	MSC: Analytical		
35.	ANS: B	PTS: 1 DIF: 2	REF: 34-3
	NAT: Analytic	LOC: Monetary and fiscal policy	TOP: Monetary policy, fiscal policy
26	MSC: Interpretive ANS: C	PTS: 1 DIF: 1	REF: 35-1
30.	NAT: Analytic	LOC: Unemployment and inflation	TOP: Phillips curve
	MSC: Definitional	LOC. Unemployment and initiation	101. Thimps curve
37	ANS: A	PTS: 1 DIF: 1	REF: 35-1
57.	NAT: Analytic	LOC: Unemployment and inflation	TOP: Contractionary policy
	MSC: Analytical	200. Onemployment and initiation	for: contractionary poincy
38.	ANS: B	PTS: 1 DIF: 1	REF: 35-1
	NAT: Analytic	LOC: Unemployment and inflation	TOP: Short-run Phillips curve
	MSC: Interpretive	1	L L
39.	ANS: A	PTS: 1 DIF: 2	REF: 35-2
	NAT: Analytic	LOC: Unemployment and inflation	TOP: Aggregate demand Phillips curve
	MSC: Definitional		
40.	ANS: C	PTS: 1 DIF: 2	REF: 35-2
	NAT: Analytic	LOC: Unemployment and inflation	TOP: Long-run Phillips curve
	MSC: Applicative		
41.	ANS: B	PTS: 1 DIF: 2	REF: 35-2
	NAT: Analytic		
	TOP: Long-run Phi	llips curve Expansionary policy	MSC: Analytical