

MCGILL UNIVERSITY

Faculty of Arts and Science

ECONOMICS 19

Wednesday, January 15th, 1931.

9.00 to 12.00 A.M.

Do like Questions Only.

1. Distinguish (a) day-to-day, (b) seasonal, and (c) cyclical fluctuations, and (d) secular trend. Mention their distinguishing characteristics, and their relation to unemployment.
2. Discuss any three of the following: (a) Forced Saving; (2) Unspent Margin; (3) Competitive Illusion; (4) Circuit Flow of Money; (5) "Period of Gestation"; (6) Recession.
3. Distinguish general and relative overproduction. How far do you agree with the proposition "general overproduction is impossible"?
4. Give a critical account of either (a) Schumpeter's, or (b) Hobson's theory of the trade cycle.
5. "The regular periodicity of cyclical fluctuation is not established; and it is more useful to discuss phases of industrial activity". Explain and comment.
6. What significance do you attach to the part that the constructional or equipment industries play in cyclical fluctuations?
7. Examine the view that the "short-circuiting" or "check" to "the flow of consumers' purchasing power" is the key to the cause of recurrent business depressions.
8. "The trade-cycle is a purely monetary phenomenon". How far do you agree with this dictum?
9. In what directions and by what means would you suggest that attempts to regulate cyclical fluctuations might best be made?

OR

Give an account of the relations between prices, profits, and production in the course of the trade cycle.