



23135092

QP CODE: 23135092

Reg No : .....

Name : .....

**B.A DEGREE (CBCS) REGULAR / REAPPEARANCE EXAMINATIONS,**

**OCTOBER 2023**

**Fifth Semester**

B.A Economics Model I

**CORE COURSE - EC5CRT08 - MACRO ECONOMICS- II**

2017 Admission Onwards

7178B815

Time: 3 Hours

Max. Marks : 80

**Instructions to Private candidates only:** This question paper contains **two sections**. Answer **SECTION I** questions in the answer-book provided. **SECTION II**, Internal examination questions must be answered in the question paper itself. Follow the detailed instructions given under **SECTION II**

**Part A**

Answer any **ten** questions.

Each question carries **2** marks.

1. Define permanent income.
2. Define marginal efficiency of capital.
3. Tobin's 'q' theory of investment.
4. What is high powered money?
5. Deflationary gap.
6. What are the methods to control inflation?
7. What is Philips curve?
8. Define Stagflation.
9. What is natural rate of unemployment?
10. What is Repo rate?
11. What is Monetarism?
12. Write a note on New Classical Economics.

(10×2=20)



**Part B**

*Answer any **six** questions.*

*Each question carries **5** marks.*

13. State Relative income hypothesis.
14. Explain the life cycle income.
15. Explain Keynesian concept of liquidity preference.
16. Explain the concept of Keynes effect.
17. What is unemployment? Explain the different types of unemployment.
18. What are the objectives of fiscal policy?
19. Distinguish between surplus budget and deficit budget.
20. Explain the propositions of New Keynesian School.
21. What is Laffer Curve?

(6×5=30)

**Part C**

*Answer any **two** questions.*

*Each question carries **15** marks.*

22. Explain Relative income hypothesis.
23. Explain the Keynesian liquidity preference theory of interest.
24. Explain the trade cycle and phases of trade cycle.
25. Explain the propositions of New Keynesian School.

(2×15=30)