

QP CODE: 19102543

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Reg No : .....

Name : .....



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**BA DEGREE (CBCS ) EXAMINATION, OCTOBER 2019**

**Fifth Semester**

B.A Economics Model I

**Core Course - EC5CRT08 - MACRO ECONOMICS- II**

2017 Admission Onwards

164163DC

Maximum Marks: 80

Time: 3 Hours

**Part A**

*Answer any **ten** questions.*

*Each question carries **2** marks.*

1. What is meant by relative income ?
2. Define permanent income
3. What is life cycle income ?
4. Define money
5. Explain the concept of Keynes effect
6. What is M1 ?
7. What is meant by stagflation?
8. What is trade Cycle?
9. What is dear money policy?
10. What is financial crises?
11. Write a note on rational expectation hypothesis.
12. Write a note on Supply Side economics

(10×2=20)


**Part B**

*Answer any **six** questions.*

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

13. Differentiate the shortrun and longrun consumption function
14. Explain the q theory of investment
15. Explain the different types of inflation
16. What are the methods to control inflation?
17. Define natural rate of unemployment
18. What are the quantitative credit control methods?



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19. What are the objectives of fiscal policy?
  20. What is Laffer Curve?
  21. Explain New Keynesian Economics

(6×5=30)

**Part C**

*Answer any two questions.*

*Each question carries 15 marks.*

22. Explain the accelerator theory of investment
23. Diagrammatically explain inflationary and deflationary gap
24. Explain the trade-off between inflation and unemployment
25. Explain Friedman's Restatement of Quantity Theory

(2×15=30)