

QP CODE: 24008504



Reg No : .....

Name : .....

**B.A DEGREE (CBCS) SPECIAL REAPPEARANCE EXAMINATIONS, MARCH 2024**

**Fifth Semester**

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

Common for B.A Economics Model I, B.A Economics Model II Foreign Trade, B.A Economics Model II Insurance & B.A Corporate Economics Model III

2021 Admission Only

968E29C5

Time: 3 Hours

Max. Marks : 80

**Part A**

Answer any **ten** questions.

Each question carries **2** marks.

1. Define demonstration effect .
2. Define permanent income .
3. Briefly explain the life-cycle hypothesis.
4. Explain the concept of Keynes effect.
5. What is M1 ?
6. Define profit push inflation.
7. What are the methods to control inflation?
8. Define Stagflation .
9. What is natural rate of unemployment?
10. Distinguish between surplus budget and deficit budget.
11. Distinguish between human and non-human wealth.
12. What is Laffer Curve?

(10×2=20)

**Part B**

Answer any **six** questions.

Each question carries **5** marks.

13. Induced investment and autonomous investment.
14. What is acceleration principle ?



15. Explain the concepts of inflationary and Deflationary gap.
16. What are the different types of unemployment?
17. Explain Philips curve.
18. Explain trade cycle and phases of trade cycle.
19. What are the objectives of fiscal policy?
20. Write a note on New Classical Economics.
21. Explain New Keynesian Economics.

(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. What is business cycle ? Explain the different phases of business cycle.
25. Discuss the important propositions of Monetarism.

(2×15=30)