



**QP CODE: 20100144**

**Reg No** : .....

**Name** : .....

**BA DEGREE (CBCS ) EXAMINATION, FEBRUARY 2020**

**Fifth Semester**

B.A Economics Model I

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

2017 Admission Onwards

36176B38

Time: 3 Hours

Maximum Marks :80

**Part A**

*Answer any **ten** questions.*

*Each question carries 2 marks.*

1. Explain shortrun consumption function ?
2. Define transitory income ?
3. What is 'q' in investment theory ?
4. What is meant by liquidity ?
5. Define cost push inflation
6. Define unemployment
7. Define natural rate of unemployment
8. What is Kondratiff cycle?
9. What do you mean by stabilisation policies?
10. What is financial crises?
11. What is Monetarism?
12. State policy ineffectiveness proposition

(10×2=20)



### Part B

*Answer any **six** questions.*

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

13. Briefly explain the Relative income hypothesis of consumption?
14. Briefly explain the accelerator theory of investment?
15. What are the functions of money ?
16. What is M1
17. What is Philips curve
18. What are the objectives of monetary policy?
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. Briefly explain the life-cycle hypothesis ?
23. Diagrammatically explain inflationary and deflationary gap
24. Explain the various methods to control inflation
25. Explain Freidman's Restatement of Quantiy Theory

(2×15=30)

