



Reg. No. :

Name :

IV Semester B.A. Degree (CCSS – Regular/Supple./Improv.)
Examination, May 2014
CORE COURSE IN ECONOMICS/DEVELOPMENT ECONOMICS
4B05 ECO : Macro Economic Analysis – II
(2011 and Earlier Admn.)

Time: 3 Hours

Max. Weightage : 30

Instruction : Answers may be written either in English or Malayalam.

PART – A

Objective type questions (in bunches of **two**) :

I. Choose the correct answers :

1. "A Tract on Monetary Reform" was written by
 a) Keynes b) Baumol c) Smith d) Say
2. Who is a new-classical economist ?
 a) Marshall b) Sargent c) Fisher d) Wicksell
3. Sum of the market value of all final goods and services minus income from abroad is
 a) GDP b) GNP c) NDP d) NNP
4. Credit rationing is a _____ policy.
 a) Quantitative b) Qualitative
 c) Discretionary d) None of these **(Weightage : 1)**

II. 5. Who is a neo-classical economist ?

- a) Fisher b) Friedman c) Lucas d) Mill
6. Phillips curve is downward sloping in the _____ period.
 a) Intermediate b) Long c) Short d) None of these



7. Who is a Keynesian ?
 a) Lucas b) Sargent c) Laffer d) Robinson
8. If MPS rises, income generation will be
 a) Low b) High
 c) Neutral d) Medium

(Weightage : 1)

PART – B
Short Answer Questions

Short answer questions. Answer **any ten** questions of the following **not** exceeding 50 words **each**. **Each** question carries 1 weightage.

9. What are the features of classical model ?
10. What is cost-push inflation ?
11. Define NNP at factor cost.
12. What is knife-edge equilibrium ?
13. What are the features of recession ?
14. Explain the meaning of accelerator.
15. What is open market operation ?
16. Explain vertical phillips curve.
17. What is business cycle ?
18. What is warranted growth rate ?
19. What is Laffer curve ?
20. What are automatic stabilizers ?

(Weightage : 1×10)

PART – C

Short essays : Answer **any five** questions **not** exceeding 150 words **each**. **Each** question carries 2 weightage.

21. What is the difference between stagnation and stagflation ?



22. Explain the natural rate of unemployment argument.
23. What is the difference between growth and development ?
24. What is rational expectations ?
25. What is open market policy ?
26. What is the nature of aggregate supply curve in Keynesian theory ?
27. What is Kaldor's theory of distribution ? **(Weightage : 2×5)**

PART – D

Long essay : Answer **any two** questions **not** exceeding 450 words. **Each** question carries 4 weightage.

28. Explain the main features of new classical macro model.
29. Explain the phases of the trade cycle. What are the measures to control trade cycles ?
30. Explain the major tools of monetary policy.
31. What is short and long run Phillip's curve relationship ? **(Weightage : 4×2)**