

Reg. No Name

18P217**M. A. DEGREE END SEMESTER EXAMINATION - APRIL 2018****SEMESTER 2 : ECONOMICS****COURSE : 16P2ECOT07 ; ADVANCED MACROECONOMIC THEORY AND POLICY***(Common for Regular - 2017 admission & Supplementary 2016 Admission)*

Time : Three Hours

Max. Marks: 75

Section A**Answer any 8 (2 marks each)**

1. Monetarism
2. Fiscalism
3. Unemployment equilibrium
4. Liquidity trap
5. Speculative demand for money.
6. Laffer curve
7. Solow residual
8. Nominal rigidities
9. Insiders and outsiders
10. Co-ordination failure
11. Non-Walrasian equilibrium
12. Dual decision hypothesis

(2 x 8 = 16)**Section B****Answer any 7 (5 marks each)**

13. Briefly discuss the basic tenets of Monetarism?
14. Examine the general features of real business cycle theory
15. Explain various supply side shocks resulting in changes in productivity
16. Analyse the features of supply side economics
17. Analyse the implications of Laffer curve
18. Explain the criticisms of new classical approach
19. Discuss about Efficiency wage model?
20. Briefly discuss Dual decision hypothesis?
21. Explain Rationing in a two market model?
22. Write a note on Repressed inflation region?

(5 x 7 = 35)**Section C****Answer any 2 (12 marks each)**

23. Discuss the Keynesian transmission process?
24. Discuss Luca's inter-temporal substitution model
25. Critically analyse the contributions of the Real business cycle school
26. Explain the theory of rational expectations. What are its policy implications?

(12 x 2 = 24)