

Reg. No

Name

23U520

B. A. DEGREE END SEMESTER EXAMINATION : NOVEMBER 2023

SEMESTER 5 : ECONOMICS

COURSE : 19U5CRECO8 : MACROECONOMIC ANALYSIS

(For Regular 2021 Admission and Supplementary 2020/2019 Admissions)

Time : Three Hours

Max. Marks: 75

PART A

Answer All (1 mark each)

1. Why fiscal policy has longer inside lag?
2. What is transaction demand for money?
3. Define IS curve.
4. What is natural rate of unemployment?
5. What is meant by backward looking expectations?
6. What is New Classical Economics?
7. What is accelerator?
8. What is stabilization?
9. What policy is advisable in a liquidity trap?
10. Define MEC.

(1 x 10 = 10)

PART B

Answer any 8 (2 marks each)

11. How outside lag becomes a problem in policy making?
12. Distinguish between capital and investment.
13. What is monetary policy?
14. What is suppressed inflation?
15. How ratchet effect affects consumption?
16. What is the policy problem under stagflation?
17. How deflationary gap occurs?
18. What are the three rates influencing demand for money according to monetarists?
19. What is meant by monetarist counter revolution?
20. What is political business cycle?

(2 x 8 = 16)

PART C

Answer any 5 (5 marks each)

21. Write a note on Global Financial crisis of 2008.
22. Explain the Tobin's q theory of investment.
23. Explain the concept of high powered money.
24. Comment on financial crisis and regulatory response.
25. Explain the Net present Value criterion of Investment.

26. Explain the causes of demand pull inflation.
27. What are the different types of budgetary policies?

(5 x 5 = 25)

PART D

Answer any 2 (12 marks each)

28. Identify the factors responsible for stagflation.
29. Suggest policy measures to control trade cycles.
30. Critically evaluate long run consumption theories.
31. Analyse the approach of monetarists to economic policy.

(12 x 2 = 24)