Reg. No ....   Name **25P124**

M. A. DEGREE END SEMESTER EXAMINATION - NOVEMBER 2025
SEMESTER 1 : ECONOMICS
COURSE : **24P1ECOT02 : MACROECONOMIC THEORY AND POLICY**
(For Regular - 2025 Admission and Improvement /Supplementary 2024 Admission)

Time : Three Hours   Max. Weights: 30

PART A
Answer any 8 questions   **Weight: 1**

1.   AD-AS Framework.   (A)
2.   Nash bargaining theory   (U)
3.   Taylor rule   (R)
4.   Kondratieff cycle   (R)
5.   Accelerationist hypothesis   (U)
6.   Fiscal policy   (R)
7.   Innovations   (U)
8.   Ratchet effect   (U)
9.   Explain the concept of rule versus discretion
                                                                  (R)
10. Annuities   (U)
                                                        (1 x 8 = 8)

PART B
Answer any 6 questions   **Weights: 2**

11. How can an upward sloping aggregate supply curve be derived through the
     production function? Explain.   (A)
12. What are the causes of economic fluctuations?   (U)
13. Briefly explain objective factors influencing consumption according to
     Keynes.   (R)
14. Briefly explain David Liabson's behavioural hypothesis.   (U)
15. What are the major propositions of Monetarism?   (R)
16. Write a short note on the goods market and money market equilibrium in
     the IS-LM framework?   (U)
17. Graphically explain short run phillips curve.   (U)
18. Briefly discuss the important differences between Samuelson's and
     Hicksian theory of trade cycle.   (U)
                                                       (2 x 6 = 12)

PART C
Answer any 2 questions   **Weights: 5**

19. Graphically examine long run phillips curve and explain the consequences
     of attempting to peg unemployment below the natural rate.   (E)
20. Write an essay about the Mundell- Flemming model under open economy
     framework?   (U)
21. Explain how labour market reaches equilibrium according to classicals. (U)

22. Briefly discuss the Global recession of 2008-12 and the policy prescriptions to solve the crisis.

(U)

(5 x 2 = 10)

OBE: Questions to Course Outcome Mapping

CO	Course Outcome Description	CL	Questions	Total Wt.

Cognitive Level (CL): Cr - CREATE; E - EVALUATE; An - ANALYZE; A - APPLY; U - UNDERSTAND; R - REMEMBER;