



24027788

QP CODE: 24027788

Reg No :

Name :

**B.A DEGREE (CBCS) REGULAR / IMPROVEMENT / REAPPEARANCE
EXAMINATIONS, OCTOBER 2024**

Third Semester

Core Course - EC3CRT01 - MACRO ECONOMICS - II

Common to B.A Economics Model II Foreign Trade & B.A Economics Model II Insurance

2017 Admission Onwards

2B7D1B74

Time: 3 Hours

Max. Marks : 80

core

Part A

*Answer any **ten** questions.*

*Each question carries **2** marks.*

1. Consumption Puzzle.
2. How demonstration effect influence an individual's consumption pattern?
3. Private investment.
4. Net Present Value Criterion.
5. Pigou effect.
6. What you mean by narrow money?
7. M_1 and M_2 .
8. Define frictional unemployment.
9. Define Okun's law.
10. Kuznets Cycle.
11. Open market operation.
12. What is monetarism?

(10×2=20)

Part B

*Answer any **six** questions.*

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





13. Explain accelerator theory of investment.
14. Bring out the relevance of Tobin's q theory in an investor's decision to invest.
15. Bring out the implications of liquidity trap.
16. Explain the functioning of money multiplier in the economy.
17. Give a diagrammatic explanation of inflationary and deflationary gap analysis.
18. Explain inflationary and deflationary gap with suitable diagram.
19. What are the different types of inflation? Explain.
20. Differentiate demand pull and cost push inflation.
21. Explain the main features of Supply Side Economics.

(6×5=30)

Part C

*Answer any **two** questions.*

*Each question carries **15** marks.*

22. Compare and contrast absolute income hypothesis with relative income hypothesis.
23. Critically examine the life cycle hypothesis
24. Explain Keynesian liquidity preference theory of rate of interest.
25. Explain Friedman's restatement of quantity theory of money.

(2×15=30)

