

QP CODE: 25050787



Reg No :

Name :

MA DEGREE (CSS) EXAMINATION, DECEMBER 2025

First Semester

M.A Development Economics

Core Courses - DE010102 - MACROECONOMIC THEORY AND POLICY I

2020 Admission Onwards

81184585

Time: 3 Hours

Weightage: 30

Part A (Short Answer Questions)

*Answer any **eight** questions.*

Weight 1 each.

1. Full Employment Output Level.
2. Liquidity Trap.
3. Ricardian Equivalence.
4. Cost-Push Inflation.
5. Counter-Revolution in Monetary Theory.
6. NAIRU
7. Procyclical Fiscal Policy.
8. APC
9. Cost of Funds.
10. Marginalist Rule of Profit Maximisation.

(8×1=8 weightage)

Part B (Short Essay/Problems)

*Answer any **six** questions.*

Weight 2 each.

11. Write a note on Crowding Out Effect.
12. Discuss Keynesian AS-AD Frame work.
13. Explain Incompatibility of Walras Law.
14. Comment on Friedman's Re-statement of Quantity Theory of Money.





15. Prepare a brief account on Discounted Utility .
16. Critically Evaluate Random Walk Hypothesis.
17. Prepare a brief account on Induced Investment and Autonomous Investment.
18. Explain Simple Acceleration Principle.

(6×2=12 weightage)

Part C (Essay Type Questions)

*Answer any **two** questions.*

Weight 5 each.

19. Write an essay on Real balance Effect and Keynes effect.
20. Explain Adaptive Expectation Hypothesis. How rational expectation hypothesis is different from adaptive expectation hypothesis?
21. Critically analyse the Absolute Income Hypothesis of Keynes.
22. Explain the MEC Approach.

(2×5=10 weightage)

