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N – 6094

Reg. No. :

Name :

Fourth Semester M.A. Degree Examination, June 2022

Economics

EC 241 – MACRO ECONOMICS – II

(2018 Admission Onwards)

Time : 3 Hours

Max. Marks : 75

SECTION – A

Answer **all** questions in **one** or **two** sentences.

1. Adaptive expectations
2. Stagflation
3. Financial diversification
4. Business cycles
5. New Classical economics
6. Laffer curve
7. Menu cost model
8. Monetary targeting

P.T.O.



9. Crowding out
10. NAIRU.

(10 × 1 = 10 Marks)

SECTION – B

Answer any **seven** questions. Each answer should not exceed **500** words.

11. What is Kalecki's pricing model?
12. Explain the real business cycle theory.
13. Discuss the cost of inflation and inflation targeting.
14. Briefly explain the Natural rate of unemployment hypothesis.
15. Explain the causes and consequences of financial and economic crisis 2007-09
16. Discuss the Tobin's modified Phillip's curve.
17. Describe Barro – Ricardo equalization problem.
18. Explain the traditional and modern views of fiscal policy.
19. Briefly explain Efficiency wage theory.
20. Explain the political theories of Budget deficit.

(7 × 5 = 35 Marks)

SECTION – C

Answer any **three** questions. Each answer should not exceed **1200** words.

21. Explain Classical, Keynesian, Monetarist approaches of Inflation.
22. Briefly explain Business cycle theories of Keynes, Samuelson, Hicks and Kaldor.



23. Critically evaluate the development of New Keynesian Macroeconomics.
24. Explain the role of Macroeconomic policies with special reference to fiscal policy and monetary policy.
25. Discuss the key ideas of New classical macroeconomics and explain various Views of Muth, Wallace, R.E.T Sargent and Lucas.

(3 × 10 = 30 Marks)

