

STELLA MARIS COLLEGE (AUTONOMOUS) CHENNAI – 86
(For candidates admitted from the academic year 2008 – 2009 & thereafter)

SUBJECT CODE: EC/MC/MA64
B. A. DEGREE EXAMINATION, APRIL 2012
BRANCH IV - ECONOMICS
SIXTH SEMESTER

COURSE : MAJOR – CORE
PAPER : MACRO ECONOMICS - II
TIME : 3 HOURS. MAX. MARKS: 100

SECTION – A

ANSWER ALL QUESTIONS. EACH ANSWER NOT TO EXCEED 50 WORDS:
(10 X 3 = 30)

1. Explain the role of money in Keynesian model.
2. Define the concept of Demand for Money.
3. Explain the relationship between money supply and value of money
4. Define ISLM.
5. Briefly give the different stages of business cycle.
6. Define non-monetary trade cycle theory.
7. Define Inflation
8. What are the causes for Inflation?
9. List out the objectives of Macro Economic policy
10. What is meant by Rate of Exchange?

SECTION – B

ANSWER ANY FIVE QUESTIONS. EACH ANSWER NOT TO EXCEED 300 WORDS:
(5 X 6 = 30)

11. Explain the theory of Effective Demand with the help of ADF and ASF of J.M.Keynes.
12. Explain the effects of increase in money supply in an economy.
13. Explain the different causes for the occurrence of business cycle.
14. Give diagrammatic explanation of Phillips curve.
15. Evaluate the role of Macro Economic instruments in controlling Economic Depression.
16. What do you mean by Economic growth through Price Stability?
17. What are the instruments of Macro Economic policy?

SECTION – C

ANSWER ANY TWO QUESTIONS. EACH ANSWER NOT TO EXCEED 1200 WORDS:
(2 X 20 = 40)

18. Explain clearly the Keynesian theory of demand for money.
19. Critically examine the Hick's-Hanson ISLM functions and its superiority over the classical model.
20. What is meant by Inflationary Gap? What are the measures taken by the Government to control the present Inflation in India?
21. Explain any one of the important monetary theories of trade cycle with the help of suitable diagram.
