

STELLA MARIS COLLEGE (AUTONOMOUS) CHENNAI – 86

(For candidates admitted from the academic year 2004 – 2005)

SUBJECT CODE: EC/MC/MA64

B. A. DEGREE EXAMINATION, APRIL 2007

BRANCH IV - ECONOMICS

SIXTH SEMESTER

COURSE : MAJOR – CORE

PAPER : MACRO ECONOMICS

TIME : 3 HOURS.

MAX. MARKS: 100

SECTION – A

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

1. What are measures of stabilization?
2. What is hyper inflation?
3. What is Phillips' curve?
4. Mention any two causes of inflation.
5. Distinguish between open and closed economy.
6. Comment on the equation $K = \frac{1}{1 - MPC}$
7. What is money illusion?
8. What is meant by stagflation?
9. Explain the concept of exchange rate.
10. Write a note on ASEAN.

SECTION - B

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

11. Write a note on Kaldor's model of trade cycle.
12. Discuss the effects of inflation.
13. Write a note on demand – pull inflation.
14. Explain briefly the IS – LM framework.
15. Mention the objectives of macro-economic policy.
16. Distinguish between internal and external balance.
17. Explain the role of SAARC in South-Asia.

SECTION - C

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

18. What is 'inflationary gap'? How does it arise and how can it be removed in the economy?
19. Explain critically Hick's theory of trade cycle.
20. Assess the relevance of the Keynesian economics for the developing countries.
21. Highlight a few current issues in the international economy and its relevance to India.
