

**STELLA MARIS COLLEGE (AUTONOMOUS) CHENNAI – 86**  
**(For candidates admitted during the academic year 2011–12 & thereafter)**

**SUBJECT CODE: 11EC/PC/MA44**

**M. A. DEGREE EXAMINATION, APRIL 2015**  
**BRANCH III – ECONOMICS**  
**FOURTH SEMESTER**

**COURSE : CORE**  
**PAPER : MACRO ECONOMICS - II**  
**TIME : 3 HOURS**

**MAX. MARKS: 100**

**SECTION – A**

**ANSWER ANY FIVE QUESTIONS. EACH ANSWER NOT TO EXCEED 300 WORDS**  
**(5 X 8 =40)**

1. Write down the assumptions of Neo-Keynesian Economics.
2. Explain the policy implications of Post- Keynesian Economics.
3. Describe the Lucas critique.
4. Explain the real Business Cycle.
5. Critique the New Classical Approach
6. Explain the objectives of Macroeconomic Policy in India.
7. Explain Adaptive Expectation model.

**SECTION – B**

**ANSWER ANY THREE QUESTIONS. EACH ANSWER NOT TO EXCEED 1200 WORDS.**  
**(3 x 20 = 60)**

8. Elaborate the main elements of Neo-Keynesian Quantity constrained model.
9. Bring out the conflict between price stability, employment and economic growth.
10. Critically evaluate Rational expectation and its policy implication.
11. How does Monetary and Fiscal policy mix operate under flexible system?
12. Give arguments for and against Active and Passive economic policy.

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