

STELLA MARIS COLLEGE (AUTONOMOUS), CHENNAI – 86
(For Candidates admitted during the academic year 2015 – 2016)
SUBJECT CODE: 15EC/MC/MA65

B.A. DEGREE EXAMINATION APRIL 2018
BRANCH IV – ECONOMICS
SIXTH SEMESTER

COURSE : MAJOR – CORE
PAPER : MACRO ECONOMICS - II
TIME : 3 HOURS

MAX. MARKS: 100

SECTION – A

ANSWER ANY TEN QUESTIONS. EACH ANSWER NOT TO EXCEED 50 WORDS
(10 x 2 = 20)

1. What is Interest?
2. What does the term structure of interest indicate?
3. What do you mean by ‘animal spirits’?
4. Mention the role of government in Neo-classical synthesis.
5. What are the phases of business cycle?
6. What is stagflation.
7. How can inflation be bad?
8. Give any four positive effects of inflation.
9. Define macroeconomic policy.
10. What is internal and external balance?
11. Why does the LM slope upward?
12. What is Stabilisation?

SECTION – B

ANSWER ANY FIVE QUESTIONS. EACH ANSWER NOT TO EXCEED 400 WORDS:
(5 x 8 = 40)

13. Examine the Market segmentation theory.
14. Bring out the key elements of Neo-classical synthesis.
15. Enumerate the importance of Keynes contribution towards business cycle.
16. Describe the causes and types of inflation.
17. State the main objective of macroeconomic policies.
18. Give an account of the Expectations theory.
19. Explain the New classical theory of real business cycle.
20. Bring out the steps taken by the government to control inflation in India.

SECTION – C

ANSWER ANY TWO QUESTIONS. EACH ANSWER NOT TO EXCEED 1000 WORDS:
(2 x 20 = 40)

21. Examine the IS-LM model in a closed economy.
22. Discuss the relative effectiveness of monetary and fiscal policies in controlling inflation.
23. Explain the Samuelson theory of business cycle.
24. Elucidate the cost push theory of inflation.
