

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

B.A. DEGREE EXAMINATION APRIL 2019
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 Yield curve?
2. What does the preferred habitat theory state?
3. What does the liquidity premium theory state?
4. What are Business Cycle?
5. Differentiate between comprehensive and sporadic inflation.
6. Explain Stagflation.
7. What is Repressed inflation?
8. What is inflationary gap?
9. Discuss the condition for equilibrium in the money market.
10. What are the fiscal policy tools adopted by the government?
11. What according to Hobson causes business cycles?
12. What does an economy's Macro economic policy attempt to achieve? List the objectives.

SECTION – B

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

13. Discuss the impact of interest rates on the demand for and supply of money.
14. What does the market segmentation theory assume about interest rates? Explain.
15. Explain with the help of a diagram the Phases of a Business Cycle.
16. Discuss Bent Hansen's excess demand theory.
17. What are the factors that cause inflation on the supply side? Explain.
18. Discuss the inflationary trend in the Indian economy.
19. Explain the augmented Philips Curve.
20. Explain the objectives behind an economy's Monetary Policy.

SECTION – C

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

21. How does the economy reach general equilibrium according to Hick-Hansen?
22. Discuss the various measures to control inflation.
23. Explain Samuelson's theory of Business Cycles.
24. How is internal and external balance achieved in an economy?
