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Reg. No. : .....

Name : .....

Fourth Semester B.A. Degree Examination, May 2021

First Degree Programme under CBCSS

Economics

Core Course V

EC 1442 – INTERMEDIATE MACRO ECONOMICS

(2019 Admission Regular)

Time : 3 Hours Max. Marks : 80

SECTION – I

Answer **all** questions. Each question carries **1** mark.

1. Current Account
2. Depreciation
3. Consumption Function
4. Liquidity trap
5. Narrow money
6. Full Employment
7. Endogenous growth theory

P.T.O

8. Permanent income

9. Demand for Money

10. Fixed Exchange Rate

(10 × 1 = 10 Marks)

SECTION – II

Answer any **eight** questions not exceeding one paragraph. Each question carries **2** marks.

11. What are the components of Balance of Payments?

12. Write a note on exchange rates.

13. Point out the major types of investment.

14. What is meant by golden rule of capital accumulation?

15. Explain the convergence hypothesis.

16. What is an adverse supply shock?

17. Explain the concept of broad money.

18. Explain the relationship between the BOP and exchange rate.

19. What is natural rate of unemployment?

20. Explain the component of money stock.

21. What are the main causes unemployment?

22. Briefly explain the concept of steady state and golden rule according to Solow's model.

23. How does the Keynesian aggregate supply curve differ from the classical one?

24. Explain the concept of the stagflation.

25. What do you meant by flexible exchange rate system?

26. Explain the rational expectation hypothesis.

(8 × 2 = 16 Marks)

SECTION – III

Answer any **six** questions not exceeding 120 words. Each question carries **4** marks.

27. Discuss the factors affecting Exchange Rates.

28. What are the measures adopted to correct the disequilibrium in the balance of payment.

29. What is absolute convergence and conditional convergence?

30. Discuss major limitations of supply side economics

31. Write a brief notes on the Phillip curve.

32. Briefly examine the classical theory of demand for money.

33. Explain Life-Cycle hypothesis

34. How BOP is calculated?

35. What are the components of Aggregate Demand?

36. What are the main determinants of investment?

37. Explain the features of balance of trade.

38. What are the basic functions of money?

(6 × 4 = 24 Marks)

SECTION – IV

Answer any **two** questions not exceeding four pages each. Each carries **15** marks.

39. Explain the equilibrium level of income with the help of aggregate demand and aggregate supply approach.

40. Discuss the expectation-augmented Phillips curve.

41. Critically examine Permanent-Income Theory of Consumption

42. Critically evaluate the Solow's model of growth

43. What are the main postulates of supply side economics?

44. Critically evaluate the liquidity preference theory of demand for money

(2 × 15 = 30 Marks)