

LOYOLA COLLEGE (AUTONOMOUS), CHENNAI – 600 034



B.A. DEGREE EXAMINATION – ECONOMICS

FIFTH SEMESTER – APRIL 2016

EC 5504 – MACRO ECONOMICS - II

Date: 29-04-2016

Dept. No.

Max. : 100 Marks

Time: 09:00-12:00

PART-A

Answer any FIVE Questions, each in about 75 words:

(5 x 4 = 20 Marks)

1. Explain consumption function.
2. Explain the phases of the trade cycle.
3. Describe demand pull inflation.
4. Explain the concepts- (i) Deflation and (ii) Stagflation.
5. Differentiate between monetary policy and fiscal policy.
6. Point out the objectives of monetary policy.
7. Explain the role of fiscal policy in economic growth.

PART-B

Answer any FOUR Questions, each in about 250 words:

(4 x 10 = 40 Marks)

8. Explain relative income hypothesis.
9. Give an account of Hicks' theory of the trade cycle.
10. Explain Hawtrey's monetary theory of business cycles.
11. State the various types of inflation.
12. Describe the causes of inflation in India.
13. Briefly outline Kaldor's theory of distribution.
14. Briefly mention the various instruments of monetary policy.

PART-C

Answer any TWO Questions, each in about 900 words:

(2 x 20 = 40 Marks)

15. Analyze Friedman's permanent income hypothesis.
16. Discuss Samuelson's model of multiplier and accelerator interaction.
17. Examine the effects of inflation on output and income distribution.
18. Critically analyse Harrod-Domar theory of economic growth.

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