



LOYOLA COLLEGE (AUTONOMOUS), CHENNAI – 600 034

B.A.DEGREE EXAMINATION –ECONOMICS

FIFTH SEMESTER – APRIL 2019

EC 5504– MACRO ECONOMICS - II

Date: 15-04-2019
Time: 09:00-12:00

Dept. No.

Max. : 100 Marks

PART – A

Answer any FIVE questions in about 75 words each:

(5 x 4 = 20 Marks)

1. Write a short note on Permanent Income Hypothesis.
2. Define the term 'Recession'.
3. What is suppressed inflation?
4. Explain the term 'Innovation'.
5. Distinguish between multiplier and accelerator.
6. Write short note on warranted and natural growth rate.
7. Explain Open Market Operation.

PART – B

Answer any FOUR questions in about 250 words each:

(4 X 10 = 40 Marks)

8. Explain Relative Income Hypothesis.
9. Discuss Hicks' Trade Cycle model.
10. Explain Hayek's Theory of trade cycle.
11. Examine the remedies available to curb inflation.
12. Compare and contrast Demand Pull and Cost Push inflation.
13. Analyse Harrod-Domar model of growth.
14. Examine the role of public expenditure in achieving economic growth.

PART – C

Answer any TWO questions in about 900 words each:

(2 X 20 = 40 Marks)

15. Critically evaluate Innovations theory of trade cycle.
16. Analyse the factors influencing general price level and the effects of inflation.
17. Examine Kaldor's model of income determination.
18. Analyse the effectiveness of various monetary measures in maintaining economic stability.

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