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T – 2364

Reg. No. :

Name :



Fourth Semester B.A. Degree Examination, July 2024

First Degree Programme under CBCSS

Economics

Core Course

EC 1442 : INTERMEDIATE MACRO ECONOMICS

(2019 Admission Onwards)

Time 3 Hours

Max. Marks : 80

SECTION – I

Attempt all questions. Each question carries 1 mark.

1. Aggregate Demand.
2. LRPC
3. Marginal Propensity to Consume
4. Crawling Peg
5. Steady Growth
6. Broad Money
7. Real Rate of Interest
8. Inventory Investment
9. High Powered Money
10. Balance of Payments

(10 × 1 = 10 Marks)

P.T.O.

SECTION – II

Answer any **eight** questions not exceeding 1 paragraph. Each question carries 2 marks.

11. Mention flexible exchange rates.
12. What is cost-push inflation?
13. What do you mean by equilibrium in balance of payments?
14. Explain transaction demand for money.
15. What is neutrality of money?
16. What do you mean by adaptive expectations?
17. Explain Phillips curve.
18. What is autonomous consumption?
19. What are menu costs?
20. Explain consumption puzzle.
21. Examine the income-consumption relationship in the long-run.
22. Give an overview of Fisher's equation of exchange.

(8× 2= 16 Marks)

SECTION – III

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

23. Discuss the economic interpretation of stagflation in an economy.
24. Write a note on the rational expectations hypothesis.
25. Explain 'demand shocks' and its implications.
26. Mention Duesenberry's 'demonstration effect' of consumption.
27. Examine the policy of managed flexibility.

28. Explain the major components of aggregate demand.
29. Write a note on the portfolio analysis of demand for money.
30. Explain the permanent income hypothesis.
31. Give a brief account of supply-side economics and its policy implications.

(6 × 4 = 24 Marks)

SECTION – IV

Answer any **two** questions not exceeding 4 pages. Each question carries 15 marks.

32. Mention BOPs disequilibrium. Discuss the major methods for the correction of disequilibrium in balance of payments.
33. Explain the short-run and long-run Phillips curve analysis.
34. Examine Solow's model of steady growth.
35. List out the major measures of money supply in an economy.

(2 × 15 = 30 Marks)