

| ST. PHILOMENA'S COLLEGE (AUTONOMOUS), MYSORE | | | |
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| PG DEPARTMENT OF ECONOMICS | | | |
| QUESTION BANK (Revised Curriculum 2020-21) | | | |
| FIRST YEAR- FIRST SEMESTER (2020-21 Batch) | | | |
| COURSE TITLE: (PAPER TITLE):ADVANCED MACROECONOMICS: Q P CODE: 80122 | | | |
| Unit | Sl.No | Questions | Marks |
| 1 | 1 | Define GDP | 2 |
| 1 | 2 | What is Green Accounting? | 2 |
| 3 | 3 | Explain psychological law of consumption. | 2 |
| 2 | 4 | Define full employment. | 2 |
| 4 | 5 | What is a Business Cycle? | 2 |
| 2 | 6 | What do you mean by Dynamic Equilibrium? | 2 |
| 4 | 7 | What is meant by economic fluctuation? | 2 |
| 4 | 8 | Distinguish between Balance of Trade and Balance of Payment | 2 |
| 1 | 9 | Define Green Income. | 2 |
| 1 | 10 | Distinguish between GNP at Market price and factor cost. | 2 |
| 2 | 11 | State the determinants of effective demand. | 2 |
| 3 | 12 | What is Investment Multiplier? | 2 |
| 4 | 13 | State the sources of sticky wages | 2 |
| 4 | 14 | What are Rational expectations? | 2 |
| 4 | 15 | Define the concept of Open Economy. | 2 |
| 4 | 16 | Mention the Features of IS Curve. | 2 |
| 1 | 17 | Define National Income. | 2 |
| 1 | 18 | Define Depreciation. | 2 |
| 2 | 19 | Give the meaning of wage price flexibility. | 2 |
| 2 | 20 | Define Effective Demand. | 2 |
| 4 | 21 | What is meant by sticky price? | 2 |
| 4 | 22 | Define the Balance of Payment. | 2 |
| 2 | 23 | State the essence of Says Law of Markets. | 2 |
| 3 | 24 | Define marginal efficiency of capital. | 2 |
| 3 | 25 | What do you mean by invisible hand? | 2 |

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| 4 | 26 | State any two features of Phillip curve. | 2 |
| 4 | 27 | What is supply side Economics? | 2 |
| 2 | 28 | What is wage cut policy? | 2 |
| 3 | 29 | Define inflation. | 2 |
| 3 | 30 | What is the meaning of quality of life? | 2 |
| 4 | 31 | Elucidate phases of business cycle. | 2 |
| 4 | 32 | What are the objectives of Macro Economic Policy? | 2 |
| 3 | 33 | What is multiplier? | 2 |
| 3 | 34 | Define Laffer curve. | 2 |
| 3 | 35 | State rational expectations in new classical Economists. | 2 |
| 4 | 36 | Distinguish between open and closed economy. | 2 |
| 1 | 37 | Distinguish between nominal and real GDP. | 2 |
| 1 | 38 | Define national income. | 2 |
| 1 | 39 | Mention the methods to measure GDP. | 2 |
| 1 | 40 | Find the difference between nominal and real GDP. | 2 |
| 1 | 41 | What is DGP deflator? | 2 |
| 1 | 42 | Point out the difference between GNP at market price and GNP at factor cost. | 2 |
| 1 | 43 | Define personal income. | 2 |
| 1 | 44 | What do you mean by disposable income? | 2 |
| 1 | 45 | What is green accounting? | 2 |
| 2 | 46 | Define Say's law. | 2 |
| 2 | 47 | Define effective demand. | 2 |
| 3 | 48 | Point out the difference between APC and MPC. | 2 |
| 3 | 49 | What is Ratchet effect? | 2 |
| 3 | 50 | What is relative income hypothesis? | 2 |
| 3 | 51 | Define the permanent income hypothesis. | 2 |
| 3 | 52 | What is induced investment? | 2 |
| 3 | 53 | Define autonomous investment. | 2 |
| 3 | 54 | What do you mean by investment? | 2 |

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| 3 | 55 | Define the multiplier. | 2 |
| 4 | 56 | Mention the phases of business cycle. | 2 |
| 4 | 57 | Define economic stability. | 2 |
| 3 | 58 | Define life cycle hypothesis. | 2 |
| 3 | 59 | What is full employment? | 2 |
| 3 | 60 | Define under employment. | 2 |
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| 1 | 61 | Discuss the different concepts and identities of National Income. | 5 |
| 1 | 62 | Bring out the importance of National Income accounting. | 5 |
| 3 | 63 | Critically evaluate the Keynesian Investment Function. | 5 |
| 2 | 64 | Examine the policy implications of classical model. | 5 |
| 4 | 65 | Comment on the monetary over investment theory of business cycle. | 5 |
| 2 | 66 | Explain main features of Supply side economics. | 5 |
| 4 | 67 | Explain Philips curve. | 5 |
| 4 | 68 | What are the policy imperatives of economic fluctuation? | 5 |
| 4 | 69 | Explain sticky wage model. | 5 |
| 4 | 70 | Examine the relationship between interest rate and exchange rate. | 5 |
| 1 | 71 | Discuss the relevance of GNP as a true indicator of quality of life | 5 |
| 1 | 72 | Explain the features and importance of green accounting | 5 |
| 2 | 73 | Discuss the features of classical full employment model .What are its implications | 5 |
| 3 | 74 | Examine the relevance of Keynesian policies from the point of view of developing countries | 5 |
| 4 | 75 | Analyze the inverse relationship between inflation and unemployment with the help of Philips Curve | 5 |
| 4 | 76 | Discuss the causes and consequences of short run fluctuations in the economy | 5 |
| 4 | 77 | Describe the theoretical propositions of supply side Economics | 5 |
| 3 | 78 | What factors led to the emergence of New Classical Macroeconomics. What are its implications? | 5 |
| 3 | 79 | Explain the working of investment multiplier. | 5 |

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| 3 | 80 | Write a note on exchange rate regimes | 5 |
| 3 | 81 | Examine the role of monetary policy in open economics | 5 |
| 3 | 82 | Critically examine the Pigouvian Theory of Employment | 5 |
| 3 | 83 | Examine the importance of investment function in Keynes General Theory | 5 |
| 3 | 84 | Give an account of Keynesian Consumption function | 5 |
| 4 | 85 | Explain the construction of LM schedule | 5 |
| 3 | 86 | Evaluate Keynes psychological law of consumption | 5 |
| 3 | 87 | Employment and inflation are related. Discuss | 5 |
| 3 | 88 | Critically examine the life cycle hypothesis | 5 |
| 2 | 89 | What are the basic assumptions of classical of classical school? and Explain the determination of output and employment | 5 |
| 1 | 90 | Bring out the importance of National Income Accounting | 5 |
| 4 | 91 | What are the policy imperatives of economic fluctuation? | 5 |
| 4 | 92 | Explain the relationship between interest rate and exchange rate | 5 |
| 4 | 93 | Write a note on relationship between inflation and employment. | 5 |
| 3 | 94 | Explain the theory of effective demand | 5 |
| 1 | 95 | What are the main conceptual problems involved in the estimation of GNP? How can they be overcome? | 5 |
| 1 | 96 | Explain the value added method of measuring national income? | 5 |
| 2 | 97 | Explain the assumptions of classical theory of employment. | 5 |
| 2 | 98 | Explain the determination of output and employment of classical theory. | 5 |
| 2 | 99 | Examine the wage price flexibility of classical theory of employment. | 5 |
| 2 | 100 | Examine the money market equilibrium of classical theory of quantity theory of money. | 5 |
| 3 | 101 | Explain the determination of effective demand of Keynesian theory. | 5 |
| 3 | 102 | Examine the consumption function and its determinants. | 5 |
| 3 | 103 | Diagrammatically explain the consumption function schedule. | 5 |
| 3 | 104 | Examine the Duessenberry's relative income hypothesis. | 5 |

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| 3 | 105 | Distinguish between 1) Capital and Investment 2) Induced and autonomous investment. | 5 |
| 3 | 106 | What do you mean by induced investment? Discuss the determinates of induced investment? | 5 |
| 3 | 107 | Explain the importance of multiplier. | 5 |
| 4 | 108 | Explain the Phillips curve. | 5 |
| 4 | 109 | Examine the Mundell -Fleming model with changing price level. | 5 |
| 4 | 110 | Write a note on imperfect- information model. | 5 |
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| 1 | 111 | Discuss the different indicators of Macroeconomic performance. | 10 |
| 3 | 112 | Explain factors determining consumption function. | 10 |
| 4 | 113 | Explain the theories of inflation. | 10 |
| 4 | 114 | Explain the demand pull inflation. | 10 |
| 4 | 115 | Explain dynamic disequilibrium with the help of IS-LM model. | 10 |
| 4 | 116 | Evaluate the Flemming-Mundel model of an open economy. | 10 |
| 4 | 117 | Critically examine the Mundell- Fleming model. | 10 |
| 3 | 118 | Describe Keynes consumption function. What are its implications? | 10 |
| 4 | 119 | Explain dynamic disequilibrium with the help of IS-LM model .What measures do you suggest for macro stability | 10 |
| 4 | 120 | Give an account of rational Exportations Analysis .Articulate the implications for Fiscal Policy | 10 |
| 4 | 121 | Explain the theories of business cycle. | 10 |
| 4 | 122 | Examine the Friedman's theory of Business cycle. | 10 |
| 3 | 123 | Explain the working of investment multiplier .What are its limitations | 10 |
| 3 | 124 | Critically examine Million Friedman permanent income hypothesis. | 10 |
| 3 | 125 | Critically evaluate the Modigliani Life Cycle Hypothesis | 10 |
| 2 | 126 | Supply creates its own demand .Discuss the concept with reference to full employment equilibrium | 10 |
| 3 | 127 | Examine the relevance of Keynesian macroeconomics to LDCs | 10 |
| 3 | 128 | Critically examine the relevance of Keynesian macroeconomics to Less Developed Countries. | 10 |

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| 3 | 129 | Critically examine the Rational Expectation Analysis | 10 |
| 1 | 130 | Analyse the difficulties to measure the national income. | 10 |
| 1 | 131 | Examine the importance of national income analysis. | 10 |
| 1 | 132 | Explain the various concepts of national income, under what circumstances national income tends to be underestimated. | 10 |
| 1 | 133 | Examine the GNP and quality of life measuring the cost of living. | 10 |
| 2 | 134 | Examine the Keynes's criticism of classical theory of output and employment. | 10 |
| 3 | 135 | Critically examine the Permanent income hypothesis. | 10 |
| 3 | 136 | Critically examine the Modigliani's life cycle hypothesis. | 10 |
| 2 | 137 | Distinguish between marginal efficiency of capital and marginal efficiency of investment. | 10 |
| 4 | 138 | Discuss the models aggregate supply: Sticky wage and Sticky Price model. | 10 |
| 4 | 139 | Describe the fluctuations with IS –LM model. | 10 |
| 1 | 140 | Examine the importance of macroeconomics. | 10 |
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St. Philomena's College (Autonomous) Mysore
I Semester M.A. Final Examination December - 2019

Subject: ECONOMICS

Title: Advanced Macro Economics (HC)

Time: 3 Hrs

Max Marks: 70

PART -A

1. **Answer any Five of the following:**
- a. What do you mean by Green Accounting?
 - b. What is wage cut policy?
 - c. Mention the determinants of effective demand.
 - d. Elucidate phases of business cycle.
 - e. Define inflation.
 - f. What is the meaning of quality of life?
 - g. What are the objectives of Macro Economic Policy?
 - h. What is multiplier?

PART -B

- Answer any Six of the following:** **6×5=30**
2. Describe the conceptual frame work of National Income Accounting.
 3. Elaborate the implications of classical full employment model.
 4. Give an account of Keynesian investment function.
 5. Discuss the sticky-wage model.
 6. Explain the supply side Economics.
 7. Illustrate the fluctuations in open economy with the help of IS – LM Model.
 8. Critically examine the life cycle hypothesis.
 9. What are the basic assumptions of the classical school? and Explain the determination of out put and employment.

PART -C

- Answer any Three of the following:** **3×10=30**
10. Discuss the measurement methods of national income. What are the difficulties in the measurement of national income?
 11. Give a critical account of Keynesian Psychological law of consumption. What are its implications?
 12. Examine the trade – off between inflation and unemployment with the help of Phillips curve.
 13. Critically examine the Rational Expectation Analysis.
 14. Explain the determination of equilibrium income and output in three sectors Model.
