



QP CODE: 22000588



22000588

Reg No : .....

Name : .....

**M A DEGREE (CSS) EXAMINATION , JANUARY 2022**

**Second Semester**

MA DEVELOPMENT ECONOMICS

**CORE - DE010202 - MACROECONOMIC THEORY AND POLICY II**

2019 Admission Onwards

5B68D7E6

Time: 3 Hours

Weightage: 30

**Part A (Short Answer Questions)**

*Answer any **eight** questions.*

*Weight 1 each.*

1. Define Unemployment.
2. What do you mean by Time Inconsistency?
3. What do you mean by Trade Cycle?
4. Define Supply Shock.
5. What do you mean by Wage- Price Flexibility?
6. Define Tax Wedge.
7. What is New Keynesian Economics?
8. What do you mean by DMP Model?
9. What do you mean by Boom
10. Global Recession 2008

(8×1=8 weightage)

**Part B (Short Essay/Problems)**

*Answer any **six** questions.*

*Weight 2 each.*

11. Explain the Signal Extraction problem.
12. Describe the theoretical justification of Philips curve provided by Lipsey.
13. Describe the AD-AS approach in real business cycle model.
14. Explain the role of stabilization policy in RBC model.





15. Explain the asymmetric information model.
16. What are the different efficiency wage theories?
17. Critically evaluate Hicksian theory of Trade Cycle.
18. Describe Financial deregulation and securitization.

(6×2=12 weightage)

**Part C (Essay Type Questions)**

*Answer any **two** questions.*

*Weight 5 each.*

19. Describe the difference between microeconomics and macroeconomics.
20. Describe the cyclical behaviour of major macroeconomic variables.
21. Evaluate the microeconomic foundation of New Keynesian Economics.
22. Describe Great Recession of 2008.

(2×5=10 weightage)

