

First Semester MA Degree Examination- Model Question paper
Behavioural Economics and Data Science
BEDS-CC-212- MACROECONOMIC THEORY

Time: 3hrs

Max. Marks: 75

SECTION 1

Answer all questions. Each question carries 1 mark.

1. Consumption function
2. High powered money
3. Intertemporal choice
4. Fisher effect
5. Super Multiplier
6. Monetarism
7. Balance of Payments
8. Tobin's q
9. Crowding out effect
10. Impossible trinity

(10x1=10 Marks)

SECTION II

Answer **any seven** questions in less than 400 words. . **Each** question carries five marks

11. How is the theory of New Monetarism a challenge against Keynesian views?.
12. Briefly explain David Laydson's Behavioural hypothesis with empirical evidence..
13. Analyse Fisher's Intertemporal choice theory.
14. Explain the accelerator theory of investment.
15. State Patinkin's Real Balance Effect.
16. Explain the Random Walk Theory.
17. Distinguish between simple and flexible accelerator.
18. Examine the normal income theories of consumption.
19. Evaluate Baumol's Inventory approach theory to the demand for money..
20. Assess the monetarist approach to balance of payments

(7x5=35 Marks)

SECTION III

Answer **any three** questions in less than 1200 words. Each question carries 10 **marks**

21. Critically examine the Modigliani-Miller theory of investment.
22. Evaluate the behavioral approach to money supply..

23. Evaluate the Mundell Fleming model by emphasizing control of money supply in an open economy.

24. Explain IS LM model of income determination. Analyse the effects of varying degrees of elasticities of IS and LM function upon equilibrium income and rate of interest

25. Explain how the interaction between the multiplier and accelerator can be used to explain the trade cycles.

(3x10=30 Marks)