

B.A. (CBCS) DEGREE EXAMINATION,
NOVEMBER 2022.

Sixth Semester

Economics — Core

MACRO ECONOMICS — II

(For those who joined in July 2017 onwards)

Time : Three hours Maximum : 75 marks

PART A — (10 × 1 = 10 marks)

Answer ALL questions.

Choose the correct answer :

1. The extra labour for which the labourer receives nothing is called as _____ by Karl Marx.
- (a) Surplus value (b) Surplus labour
(c) Capital (d) Net profit

6. According to Keynes unemployment is caused by
- (a) low consumption
(b) deficiency of effective demand
(c) population explosion
(d) all of these

7. Karl Marx rate of profit 'r' is
- (a) $\frac{S}{V}$ (b) $\frac{C}{C+V}$
(c) $\frac{C}{V}$ (d) $\frac{S}{C+V}$

8. Marxism is against for _____
- (a) Communism (b) Capitalism
(c) Socialism (d) None

9. Expansionary monetary policy is adopted during the period of
- (a) recession (b) inflation
(c) stagflation (d) peak

10. Important objective of macro economic policy
- (a) Full employment
(b) Price stability
(c) Economic growth
(d) All the above

2. Ricardo divided the economy into how many sector?
- (a) Two (b) Three
(c) Four (d) Five
3. Induced investment is
- (a) Profit oriented (b) Welfare oriented
(c) Both (a) and (b) (d) None of these
4. According to Keynes one of the important determinants of investment is
- (a) marginal efficiency of capital
(b) marginal propensity to consume
(c) average propensity to consume
(d) income
5. Keynes theory is applicable to _____ countries.
- (a) underdeveloped
(b) developing
(c) advanced capitalist
(d) all

Page 2 Code No. : 10185 E

PART B — (5 × 5 = 25 marks)

Answer ALL questions choosing either (a) or (b).
Each answer should not exceed 250 words.

11. (a) Rent is differential surplus earned by land - Explain.
- Or
- (b) What are the assumptions of Ricardian theory of distribution?
12. (a) State the relation between MEI and MEC.
- Or
- (b) How rate of interest determines the investment?
13. (a) Write a note on inflationary gap.
- Or
- (b) What is multiplier? What are its assumptions?
14. (a) Compare the Karl Marx ideas with modern economists ideas.
- Or
- (b) What are the criticisms leveled against Marxian economic ideas?

15. (a) What is monetary policy? What are its objectives?

Or

- (b) Write about 'pump priming'.

PART C — (5 × 8 = 40 marks)

Answer ALL questions choosing either (a) or (b).
Each answer should not exceed 600 words.

16. (a) Critically evaluate Marxian theory of distribution.

Or

- (b) Discuss the Kaldor's theory of distribution.

17. (a) What is investment? Explain its types.

Or

- (b) Examine the determinants of investment.

18. (a) Explain the applicability of Keynes economics to under developed countries.

Or

- (b) Explain the Keynes notion of under employment equilibrium.

Page 5 Code No. : 10185 E

19. (a) Critically evaluate the concept of surplus value.

Or

- (b) Compare Karl Marx views with classical economists views.

20. (a) Analyse the role of fiscal policy in economic growth.

Or

- (b) What are the instruments of monetary policy? Explain their working.
-

Page 6 Code No. : 10185 E