

ECONOMICS- Core Course IX- Macro Economics-II (Semester-IV)

UNIT-I

- 1) Explain how adverse selection of borrowers brings risk and increase in Non-performing Assets in banking business at present.
- 2) Discuss about international financial markets functioning at present.
- 3) What is meant by financial market ? Analyse its features and functions.
- 4) Explain the financial sector reform in India.
- 5) Explain the recent global financial crisis. What policy adopted by India to counter it?

UNIT-II

- 1) Critically examine the purchasing power parity theory of exchange rate determination under inconvertible paper standard.
- 2) Describe the Mundell-Fleming short run open economy model for a small economy, Point out its limitations.
- 3) What are the causes of disequilibrium in balance of payment? Suggest measures to correct disequilibrium in balance of payment.
- 4) Explain the factors responsible of change in rate of exchange. How exchange rate is determined in the Indian market.

UNIT-III

- 1) Explain the Harrod model of economic growth along with Knife-edge instability problem.
- 2) Critically examine Joan Robinson's Golden Rule of capital accumulation.
- 3) Explain the endogenous growth models.
- 4) Discuss the solow growth model of technical change.

UNIT-IV

- 1) Discuss about various objectives and instruments of monetary policy.
- 2) Analyse various objectives of fiscal policy. Do you think that effectiveness of fiscal policy on economic growth is limited by crowding-out effect? Give reasons.
- 3) Explain the transmission mechanism of monetary policy.

UNIT-V

- 1) Explain the classical view that a general cut in money wage will cure unemployment. How did Keynes oppose such a policy?
- 2) Write a brief note on the development in the field of macro economics in the post-Keynesian period.

- 3) What is underemployment equilibrium? Examine the views of classical economists and Keynes on this issue.
- 4) Explain the real business cycle model of new Keynesian economics.
- 5) Explain the Friedman's reformulation of quantity theory of money.
- 6) Explain new classical view/ Rational expectation model of macro economics? How keyens criticizes it.
- 7) Explain the keynsian and monetarist view on monetary and fiscal policy.
