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**St Aloysius College (Autonomous)**

**Mangaluru**

**Semester II – P.G. Examination – M.A. ECONOMICS**

**May - 2024**

**MACRO ECONOMIC ANALYSIS**

**Time: 3 Hours**

**Max. Marks: 70**

**SECTION - A**

**Answer any TWO questions of the following: (2x15=30)**

1. Explain the ideas that incorporates both demand-side and supply-side factors influencing changes in the GDP deflator.
2. Explain main propositions of new classical macro economics
3. Evaluate a comprehensive strategy to address coordination failures in the economy based on principles derived from the Dual Decision Hypothesis.

**SECTION – B**

**Answer any FOUR questions of the following: (4x6=24)**

4. Analyze how changes in Government policy affect the circular flow of income and expenditure.
5. Critically evaluate the assumptions underlying the Absolute Income Hypothesis in explaining consumer behavior.
6. Explain the appreciation of the present value method to compare the profitability of two investment projects with different cash flow patterns as criteria of investment decisions.
7. If there is an increase in government spending, how would you apply New Classical Economics to predict its effect on aggregate demand and output?
8. Compare and contrast DSGE models with traditional Keynesian macroeconomic models and New Classical models in terms of their theoretical foundations, empirical implications, and policy recommendations.
9. Examine the role of expectations in shaping labor market outcomes according to Keynesian economics.

**SECTION – C**

**Answer any FOUR questions of the following: (4x4=16)**

10. Discuss the formula for calculating Gross National Product (GNP).
11. Describe the concept of consumption smoothing in the context of the Permanent Income Hypothesis.
12. Explain the idea in Efficiency wage theory
13. Define the Laffer Curve and explain its theoretical underpinnings.
14. What does continuous market clearing entail in economic theory?
15. Identify the main instruments of fiscal policy.

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**St Aloysius College (Autonomous), Mangaluru**  
**Semester II – P.G. Examination – M.A. ECONOMICS**  
**May - 2024**

**MATHEMATICAL TECHNIQUES FOR ECONOMIC ANALYSIS**

Time: 3 Hours

Max. Marks: 70

**SECTION - A**

Answer any TWO questions of the following:

(2x15=30)

1. What do you mean by Matrices? Explain the types of Matrices.
2. If  $C=65+0.6Y$   
 $I=70+0.2Y$   
 $G=80$ 
  - a) Determine the National Income,
  - b) Determine the consumption Expenditure and Investments Expenditure
  - c) Obtain saving Function
  - d) Obtain the value of Multiplier.
3. Pareto's law of income distribution for a particular group is given by:  
 $N= 8 \times 10^8 / X^{3/2}$   
 Find out,
  - i. How many people have income above Rs.16000?
  - ii. How many people have income between Rs.16000 and Rs.36,000?
  - iii. What is the lowest income of the 800 people with the highest income?

**SECTION - B**

Answer any FOUR questions of the following:

(4x6=24)

4. How do you determine if a function is differentiable at a given point?
5. If the demand function and supply functions for a certain commodity are  
 $D = 50 - P$  and  $S = 2P - 25$ 
  - a. Determine equilibrium values of price and quantity.
  - b. Determine the equilibrium values when a specific tax of Rs.5 per unit is imposed on the producer.
  - c. What is the amount of tax realized by the Government?
6. When the price of a certain product was ₹ 20/-, 100 units were demanded. When its price came down to ₹10/-, 200 units were demanded. On the other side the supplier supplies 100 units at ₹ 20/- and 400 units at ₹ 40/-. Obtain the linear demand and supply function and market equilibrium price and quantity.
7. Find out AC and MC If  $TC=20x^2+3x+6$ .
8. Find out the equilibrium value of price and quantity for its following function  
 $Q_d = 4 - p^2$   
 $Q_s = 4p - 1$
9. Briefly explain the different types of costs encountered in economic decision-making.



## SECTION - C

Answer any **FOUR** questions of the following:

(4x4=16)

10. A person deposits £10,000/- at rate of interest 10%. Determine the value of deposit at the end of 5 years if interest is compounded half yearly.
11. Provide an example of a real-world scenario where a power function could be used to model a relationship.
12. Find the integral of  $Y = 2x^3 + 3x^2 - 4x$ .
13. Find the determinant of the following Matrix

$$A = \begin{pmatrix} 3 & 5 \\ 7 & 6 \end{pmatrix}$$

14. Describe the relationship between independent and dependent variables.
15. If the TFC = Rs.1, 80,000, AVC = Rs.2 and Price = Rs.20. Find out
  - (i) Break-even quantity,
  - (ii) Break -even sales,
  - (iii) How much the firm should produce to earn profit of Rs.36,000.

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## St Aloysius College (Autonomous)

Mangaluru

Semester II – P.G. Examination – M.A. ECONOMICS

May - 2024

### INTERNATIONAL ECONOMICS

Time: 3 Hours

Max. Marks: 70

#### SECTION - A

Answer any **TWO** questions of the following: (2x15=30)

1. Discuss the TOT effects of tariffs with suitable examples.
2. Explain Neo-Hotelling model, and how do they contribute to our understanding of spatial competition in economics?
3. Define the foreign trade multiplier and explain how it differs from the simple multiplier in a closed economy.

#### SECTION - B

Answer any **FOUR** questions of the following: (4x6=24)

4. What is the relationship between economic growth and international trade?
5. Define Linder's demand hypothesis and its key propositions regarding international trade patterns.
6. Compare and contrast the effects of capital-saving and labor-saving technical progress on factor inputs and production efficiency.
7. Discuss multiple factor intensity reversal.
8. Summarize the Leontief Paradox and its implications for the Heckscher-Ohlin model.
9. Define the product cycle hypothesis and its implications for understanding trade dynamics in the global economy.

#### SECTION - C

Answer any **FOUR** questions of the following: (4x4=16)

10. What are quantitative restrictions in the context of international trade?
11. Explain horizontal product differentiation.
12. Distinguish between the absolute PPP and the relative PPP theory.
13. How does a customs union differ from other forms of economic integration, such as a free trade area or a common market?
14. How do changes in exchange rates lead to disequilibrium in the Balance of Payments?
15. Illustrate the derivation of an offer curve with suitable example.



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**Semester II – P.G. Examination – M.A. ECONOMICS**  
**May - 2024**

**FINANCIAL INSTITUTIONS AND MARKETS**

Time: 3 Hours

Max. Marks: 70

**SECTION - A**

**Answer any TWO questions of the following:**

(2x15=30)

1. Describe the structure of the Financial system and Explain its Componets.
2. What is Bills discounting? Explain the process and types of bills.
3. Analyze the impact of internet-based trading on market volatility and liquidity, considering both advantages and disadvantages.

**SECTION – B**

**Answer any FOUR questions of the following:**

(4x6=24)

4. Explain the relationship between savings and investment in the context of the financial system.
5. Explain the objectives and functions of financial system.
6. What constitutes an interest rate? Analyse the various factors influencing interest rates.
7. Apply the concept of exchange rate depreciation to explain the challenges faced by a country with a high dependency on imports
8. What do you mean by financial intermediaries? Explain how they facilitate financial transactions.
9. Compare and contrast the risk-return profiles of stocks and bonds.

**SECTION – C**

**Answer any FOUR questions of the following:**

(4x4=16)

10. Explain the concept of net interest rate spread
11. Write a note on Trading mechanism.
12. How do Indian banks apply the principles of Basel norms to assess the financial health and risk profile of potential merger partners?
13. Provide an example of how financial innovation has influenced economic development in a specific region or country.
14. Discuss the role of gilt-edged securities in Government borrowing and monetary policy implementation.
15. Define floating exchange rates and briefly explain how they have operated since 1973.

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**St Aloysius College (Autonomous)****Mangaluru****Semester II – P.G. Examination – M.A. ECONOMICS****May - 2024****RESEARCH METHODOLOGY AND ETHICS****Time: 3 Hours****Max. Marks: 70****SECTION - A****Answer any TWO questions of the following:****(2x15=30)**

1. Analyze the motivations and tactics employed by predatory publishers and journals to exploit researchers and deceive the academic community.
2. Evaluate the suitability of a case study approach for investigating specific research questions compared to other qualitative methods.
3. Discuss different steps in writing research report.

**SECTION - B****Answer any FOUR questions of the following:****(4x6=24)**

4. Analyze the relationship between facts, concepts, constructs, and theories in the context of a research study.
5. Distinguish between area sampling and cluster sampling.
6. Critically evaluate the effectiveness of different types of research reports in conveying research findings and insights to diverse audiences.
7. Differentiate between ethical and unethical behavior in scientific research.
8. Explain the meaning and purpose of metrics such as h-index, g-index, i10 index, and Altmetric.
9. Differentiate between schedule and questionnaire.

**SECTION - C****Answer any FOUR questions of the following:****(4x4=16)**

10. Explain the descriptive hypothesis.
11. How do researchers organize and prepare data for analysis?
12. How Intellectual Property Rights relate to research and scholarship in the social sciences?
13. Explain the basic problems in social research.
14. What is the nature of research, and why is it essential in various fields?
15. Explain the sources of research problem.

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