D 93145 **(Pages : 6)** **Name**.....

Reg. No.....

FIRST SEMESTER M.A. DEGREE (SUPPLEMENTARY) EXAMINATION NOVEMBER 2020

(CUCSS)

Economics

EC 01 C04—QUANTITATIVE METHODS FOR ECONOMIC ANALYSIS—I

(2015 Admissions)

Time : Three Hours Maximum : 36 Weightage

Part A (Multiple Choice)

Answer all the **twelve** *questions.*
Each question carries a weightage of ¼.

1. A and B are two matrices where AB exists, then $[AB]^T$ = ————————.

   (i) $A^T B^T$. (ii) $B^T A^T$.

   (iii) $B^T A$. (iv) $A^T B$.

2. A square matrix A is invertible only if, ————————.

   (i) $|A| = 0$. (ii) $|A| \neq 0$.

   (iii) $A^2 = I$. (iv) $A + A = 0$.

3. Trace of the matrix $\begin{bmatrix} 1 & -3 \\ -3 & 2 \end{bmatrix}$ is ————————.

   (i) – 2. (ii) – 1.

   (iii) 3. (iv) – 6.

4. Rank of the matrix $\begin{bmatrix} 1 & 0 \\ 0 & 1 \end{bmatrix}$ is ————————.

   (i) 0. (ii) 1.

   (iii) 2. (iv) None of these.

Turn over

5. If $f(x) = 2e^x$; $\frac{d^2}{dx^2} f(x)$ is _____.

(i) 1. (ii) 2.

(iii) e^x. (iv) $2e^x$.

6. If $U = 5x + 3y - 3$, the partial derivative $\frac{\partial U}{\partial y}$ = _____.

(i) 3. (ii) $5\frac{dx}{dy} + 3$.

(iii) $5x + 3$. (iv) $5x - 3$.

7. If $f(Q) = \frac{1}{4}Q^3 - 2Q^2$ is the total cost function then the MC function is _____.

(i) $\frac{1}{4}Q^2 - 2Q$. (ii) $\frac{3}{4}Q^2 - 4Q$.

(iii) $\frac{3}{4}Q - 4$. (iv) None of these.

8. $\int_0^{\frac{\pi}{2}} \sin x \, dx$ is _____.

(i) -1. (ii) 0.

(iii) 1. (iv) $\frac{\pi}{2}$.

9. If the marginal cost function is $50 - 4x + 0.8x^3$, the total cost function for a fixed cost 100 is _____.

(i) $50x - 2x^2 + 0.2x^4 + 100$. (ii) $-4 + 2.4x^2$.

(iii) $46 + 0.8x^2$. (iv) None of these.

10. $P(A^c \cap B) + P(A \cap B) =$ _____.

(i) $P(A) - P(B)$. (ii) $P(A)$.

(iii) $P(B) - P(A)$. (iv) $P(B)$.

11. If, $A \subset B, P(A \cap B^c) =$ _____.

(i) $P(A) - P(B)$. (ii) $\varnothing$.

(iii) $P(B) - P(A)$. (iv) $P(A)$.

12. For any two events A and B, $P(A/B) + P(A^c/B) =$ _____.

(i) 1. (ii) 0.

(iii) $P(A/B)$. (iv) $P(A)/P(B)$.

(12 × ¼ = 3 weightage)

Part B (Very Short Answers)

Answer any **five** *questions.*
Each question carries ***1*** *weightage.*

13. If $A = \begin{bmatrix} 1 & 0 \\ 3 & 1 \end{bmatrix}$, find $A - A^T$.

14. Given $A = \begin{bmatrix} 2 & 1 & 3 \\ 6 & 6 & 2 \\ 5 & 4 & 1 \end{bmatrix}$, show that $\left[A^T\right]^T = A$.

15. Define characteristic root of a square matrix A.

16. Total revenue function of a firm is $R = 21x - x^2$. Find the marginal revenue when 5 units are sold.

17. Obtain $\int\left(x^5+\frac{1}{x^2}\right)dx$.

18. Define random experiment.

19. Define independence of two events A and B.

20. Define expectation of a continuous random variable.

(5 × 1 = 5 weightage)

Part C (Short Answers)

Answer any **eight** *questions.*
Each question carries 2 weightage.

21. If $A=\begin{bmatrix}1 & 0\\ 3 & 1\end{bmatrix}$ and $B=\begin{bmatrix}2 & 1\\ 3 & 0\end{bmatrix}$, find A^2+B^T.

22. Show that the matrix $A=\begin{bmatrix}0 & 4 & -5\\ -4 & 0 & -2\\ 5 & 2 & 0\end{bmatrix}$ is skew-symetric.

23. Show that $x=1$, is one of the roots of $\begin{bmatrix}x+1 & 3 & 5\\ 2 & x+2 & 5\\ 2 & 3 & x+4\end{bmatrix}=0.$

24. Find the maximum and minimum value of the function $f(x)=x^3-3x+1$.

25. Let the total cost function $C=Q^3-2Q^2+4Q$, find Q for which average cost is minimum.

26. If $z=4x^3-3x^2\,y+6y^3$, show that at $x=2, y=1$; $2\frac{\partial^2 z}{\partial x\partial y}+\frac{\partial^2 z}{dy^2}=12.$

27. If the marginal cost of a firm $MC=9x^2-6x+2$, find the total cost function for a fixed cost 100.

28. Two unbiased dice are thrown. Let X is the random variable denoting the sum of the shown on the faces. Obtain the probability distribution of X

29. Let X is a random variable with p.d.f., $f(x)=\begin{cases} kx^3, & \text{when } 0<x<1 \\ 0, & \text{elsewhere} \end{cases}$.

Find (i) k ; and (ii) F (x).

30. From the following probability mass function

$f(x)=\frac{x^2}{k}$, for $x=0,1,2,3,4$. (i) Find k ; and (ii) Find $\mathrm{E}(\mathrm{X})$.

31. For two random variables X show that, $\mathrm{E}\left(\mathrm{X}^2\right) \geq \left[\mathrm{E}(\mathrm{X})\right]^2$.

(8 × 2 = 16 weightage)

Part D (Essays)

Answer any **three** *questions.*
Each question carries 4 *weightage.*

32. Obtain the inverse of the matrix $\mathrm{A}=\begin{bmatrix} 2 & -2 & 3 \\ 1 & 0 & -3 \\ 3 & 4 & 0 \end{bmatrix}$. Hence show that $\mathrm{AA}^{-1}=\mathrm{I}$.

33. Examine for the maximum and minimum value of the function $f(x,y)=\frac{4}{3}x^3+y^2-4x+8y$, using the methods of partial differentiation.

34. (i) Define independence of events. If A and B are two independent events prove that their compliment events are also independent.

(ii) A bag contains 8 red and 6 blue balls. Four balls are taken at random. Find the probabilities of getting :

(i) All are red balls ;
(ii) Two red and two blue balls ; and
(iii) More blue balls.

35. State Bayes' theorem. In a class 40 percent students are rural and 60 percent are urban. Of those rural it is found that 15 percent secure a first division and of the urban 20 percent secure a first division. What is the probability that a student selected at random and having a first division is a rural student ?

36. Given the p.d.f. of a random variable X as,

$$f(x)=\begin{cases} ke^{-x}, & \text{when } 0<x<\infty \\ 0, & \text{elsewhere} \end{cases}$$

. (i) Find k ; (ii) Obtain the m.g.f. of X ; and (iii) Find the mean and variance of X.

(3 × 4 = 12 weightage)

D 93144 **(Pages : 3)** **Name.....**

Reg. No.....

FIRST SEMESTER M.A. DEGREE (SUPPLEMENTARY) EXAMINATION NOVEMBER 2020

(CUCSS)

Economics

EC 01 C03—INDIAN ECONOMY : PROBLEMS AND POLICIES

(2015 Admissions)

Time : Three Hours Maximum : 36 Weightage

Part A (Multiple Choice Questions)

Answer **all** *questions.*
Each question carries ¼ weightage.

1. The present vice- chairman of NITI-Aayog is :

   (a) Nidhi Sharma. (b) NarendraModi.

   (c) Dr. Rajiv Kumar. (d) NripendraMisra.

2. The state having highest urban population as per 2011 census is :

   (a) Uttar Pradesh. (b) Maharashtra.

   (c) Tamil Nadu. (d) Kerala.

3. Food for work programme was renamed as :

   (a) RLEGP. (b) MNP.

   (c) NREP. (d) IRDP.

4. The Female literacy in Kerala as per 2011 stands at :

   (a) 64.4 %. (b) 65.46 %.

   (c) 73 %. (d) 66 %.

5. The inclusive growth strategy involves :

   (a) Poverty eradication. (b) Equality.

   (c) Full employment. (d) Sustainable development.

6. Rank of Kerala in India in terms of population :

   (a) 11. (b) 12.

   (c) 13. (d) 14.

Turn over

7. The Gross State Domestic Product (GSDP) of Kerala during 2016-17 is :

   (a) 6.7. (b) 7.4.

   (c) 8. (d) 6.5.

8. The state with highest unemployment in India is :

   (a) Tamil Nadu. (b) Kerala.

   (c) Karnataka. (d) Maharashtra.

9. Fiscal deficit in Kerala as per 2018-19 budget estimated to :

   (a) 5. (b) 6.

   (c) 5.2. (d) 5.5.

10. The sector with maximum quantum of disguised unemployment in India is :

    (a) Agriculture. (b) Industry.

    (c) Trade. (d) Transport.

11. 'Digital India' Programme was launched in :

    (a) April 2015. (b) July 2015.

    (c) October 2015. (d) January 2016.

12. The 'Stand-up India' Scheme is associated with :

    (a) Bank loans to Scheduled Caste or Scheduled Tribe for setting up a greenfield enterprise.

    (b) Bank loans to youth to start business enterprises.

    (c) Bank loans to women for empowerment.

    (d) Rural development.

(12 × ¼ = 3 weightage)

Part B (Very Short Answer Questions)

Answer any **five** *questions.*
Each question carries 1 *weightage.*

13. Second Generation Reform.

14. NITY Aayog.

15. Poverty in Kerala.

16. Millenium Development Goals.

17. Parallel economy.

18. Gulf emigration in Kerala.
19. Gender Inequality Index.
20. Swachh Bharat Mission.

(5 × 1 = 5 weightage)

Part C (Short Answer questions)

Answer any **eight** *questions.*
Each question carries 2 *weightage.*

21. Examine the structural changes in Indian economy.
22. State the industrial policy reforms in India.
23. Discuss the performance agriculture sector in Kerala.
24. Explain the measurement poverty in India.
25. Examine the main issues of internal migration in Kerala.
26. Mention about regional disparity in growth in India.
27. State the financial sector reforms in India.
28. Explain the causes and impact of foreign remittances in Kerala.
29. Explain about National Population Policy in India.
30. Give brief note on decentralized policy in India.
31. Discuss the investment trends in India.

(8 × 2 = 16 weightage)

Part D (Essay Questions)

Answer any **three** *questions.*
Each question carries 4 *weightage.*

32. Discuss the problem of industrial backwardness in Kerala.
33. Evaluate the performance of foreign trade in India.
34. State the demographic indicators and its performance in India.
35. Explain about fiscal crisis of Kerala.
36. Discuss the major environmental issues in India.

(3 × 4 = 12 weightage)

D 93143 (Pages : 4) Name.....

Reg. No.....

FIRST SEMESTER M.A. DEGREE (SUPPLEMENTARY) EXAMINATION NOVEMBER 2020

(CUCSS)

Economics

EC 01 C02—MACRO ECONOMICS : THEORIES AND POLICIES—I

(2015 Admissions)

Time : Three Hours Maximum : 36 Weightage

Part A (Multiple Choice Questions)

Answer **all** *questions.*

Each question carries ¼ weightage.

1. Keynes hold that consumption function is :
   (a) Unstable. (b) Partially stable.
   (c) Stable. (d) Not certain.
2. The optimum capital stock is achieved when the user cost of capital is equal to :
   (a) Interest rate. (b) The depreciation rate.
   (c) The marginal product of capital. (d) Tobins'Q.
3. The flatter the LM curve , the :
   (a) Larger is the government, expenditure.
   (b) Larger is the price level.
   (c) Larger is the money supply.
   (d) Larger is the interest sensitiveness of money demand.
4. Patinkin has established the neutrality of money through :
   (a) Price effect. (b) Income effect.
   (c) Real balance effect. (d) None of these.
5. Tobin Q ratio is related to :
   (a) Cost. (b) Profit.
   (c) Supply. (d) Investment.

6. Difference between planned investment and actual investment is called :

   (a) Inventory. (b) Export.

   (c) Import. (d) Realized investment.

7. Velocity of money is assumed to be constant by :

   (a) Keynes. (b) Classicals.

   (c) Hansen. (d) ISLM theory.

8. Which of the following is not an instrument of fiscal policy control :

   (a) Personal income tax. (b) Transfer payments.

   (c) Corporate income tax. (d) Bank rate.

9. Super multiplier refers to :

   (a) Interaction of multiplier and accelerator.

   (b) Reciprocal of MPC.

   (c) Capital output ratio.

   (d) Budget multiplier.

10. An increase in the money supply have no effect upon equilibrium income if :

   (a) LM is steeply by sloped IS is relatively flat.

   (b) LM steeply sloped and IS is vertical.

   (c) LM is vertical and IS steeply sloped.

   (d) LM is relatively flat as the IS.

11. Interest is regarded by Keynes as purely :

   (a) Psychological phenomenon.

   (b) Real phenomenon

   (c) Abstract phenomenon.

   (d) Monetary phenomenon.

12. Milton Friedman argues that consumption is proportional to :

   (a) Taxes. (b) Price level.

   (c) Transitory income. (d) Permanent income

(12 × ¼ = 3 weightage)

Fart B (Very short answer questions)

Answer any **five** *questions.*

Each question carries 1 *weightage.*

13. Consumption puzzle.
14. Says law.
15. Explain induced investment.
16. Liquidity trap.
17. Near money.
18. Cost push inflation.
19. Ratchet effect.
20. Crowding out effect.

(5 × 1 = 5 weightage)

Pan C (Short Answer Questions)

Answer any **eight** *questions.*

Each question carries 2 *weightage.*

21. What is meant by inflation targeting ?
22. Tobin's portfolio theory of asset holding.
23. What is Keynes effect? explain if diagrammatically ?
24. Explain the permanent income hypothesis.
25. Describe the Arrow -Debreu model.
26. Explain the multiplier -accelerator interaction.
27. Explain psychological law of consumption.
28. Examine the impact of the shift in the IS and LM schedules in the Keynesian Model.
29. Explain classical dichotomy.
30. Explain objectives of fiscal policy.
31. Baumol inventory approach.

(8 × 2 = 16 weightage)

Part D (Essay Questions)

Answer any **four** *questions.*

Each question carries 3 *weightage.*

32. Illustrate general equilibrium model. Examine Keynesian and Neo classical version of ISLM Model.

33. Explain Friedman's approach to the demand for money.

34. Explain the Keynesian theory of absolute income hypothesis.

35. Critically examine quantity theory of money .Does an increase in money supply always lead to proportionate increase in price.

36. Explain the three sector macro model

(4 × 3 = 12 weightage)

D 93142 (Pages : 4) Name.....

Reg. No.....

FIRST SEMESTER M.A. DEGREE (SUPPLEMENTARY) EXAMINATION NOVEMBER 2020

(CUCSS)

Economics

EC 01 C01—MICRO ECONOMICS : THEORY AND APPLICATIONS—I

(2015 Admissions)

Time : Three Hours Maximum : 36 Weightage

Part A

Answer **all** *questions.*

Each question carries ¼ weightage.

1. Limit pricing was developed by ————————.

   (a) Bain. (b) Arrow.

   (c) Kaldor. (d) None.

2. Transformation curve is called ————————.

   (a) PPC. (b) Isoquant.

   (c) Iso revenue. (d) None.

3. The oligopoly situation where the new firms are not allowed to enter the industry is called ————————.

   (a) Barriers to entry. (b) Economies of scale.

   (c) Product differentiation. (d) None.

4. Oligopoly theory, entry prevention and growth by :

   (a) SylosLabini. (b) Modigliani.

   (c) JBhagawati. (d) K.C.Panth.

5. In a constant sum game one player's gain is always another players :

   (a) Loss. (b) Gain.

   (c) Minimum gain. (d) Maximum gain.

Turn over

6. The N. M utility theory is :

   (a) Cardinal. (b) Ordinal.

   (c) Behaviourist cardinal. (d) Behaviourist ordinal.

7. An extreme case of oligopoly is :

   (a) Duopoly. (b) Duopsony.

   (c) Monopolistic competition. (d) Pure competition.

8. Nash equilibrium is related to :

   (a) Cost. (b) Production.

   (c) Game. (d) None.

9. Difficulties encountered in entering an industry are often referred as :

   (a) Monopoly. (b) Entry barriers.

   (c) Limit barriers. (d) Patent.

10. In the case of CD production function, out put elasticity of an input is :

    (a) Constant. (b) Unity.

    (c) A function of all the inputs. (d) Indeterminate.

11. Localization means :

    (a) Territorial division of labour.

    (b) Concentration of industry in a particular area.

    (c) Specialization by areas or regions.

    (d) All the above

12. In Bernoulli's view, the marginal utility of money diminishes as ————————.

    (a) Money income increases.

    (b) Money income decreases.

    (c) Both.

    (d) None.

(12 × ¼ = 3 weightage)

Part B

Answer any **five** *questions.*
Each question carries 1 *weightage.*

13. Short run cost function.
14. Explain risk averter.
15. Prisoners dilemma.
16. Elasticity of factor substitution.
17. Kinked demand curve.
18. Explicit cost.
19. External economies.
20. Veblen effect.

(5 × 1 = 5 weightage)

Part C

Answer any **eight** *questions.*
Each question carries 2 *weightage.*

21. Attribute theory of demand.
22. Differentiate pure strategy and fixed strategy.
23. Explain Marris growth model.
24. Explain Friedman-Savage hypothesis.
25. Explain the merits and demerits of CES production function.
26. Discuss homogeneous production function.
27. Discuss Long run cost function.
28. Discuss Barometric price leadership.
29. Explain Sylos-Labini limit pricing model.
30. Explain the relationship between technical progress and production function.
31. Explain Subsistence income and super numeracy.

(8 × 2 = 16 weightage)

Turn over

Part D

Answer any **three** *questions.*
Each question carries 4 *weightage.*

32. Explain the state preference theory.

33. Explain Williamson managerial discretion theory.

34. Explain Bain's limit pricing model.

35. Explain the logical base of the theory of demand and choice under uncertainty.

36. Critically evaluate the forms of cartel.

(3 × 4 = 12 weightage)

D 93473 (Pages : 3) Name.....

Reg. No.....

FIRST SEMESTER P.G. DEGREE EXAMINATION, NOVEMBER 2020

(CCSS)

Economics

ECO 1C 01—MICRO ECONOMIC THEORY AND POLICY—I

(2019 Admissions)

Time : Three Hours Maximum : 80 Marks

Part A

Answer **all** *questions.*
Each question carries 1 *mark.*

Multiple choice questions :

1. The N.M. utility theory is :

   (a) Cardinal. (b) Ordinal.

   (c) Behaviourist cardinal. (d) behaviourist ordinal

2. An extreme case of oligopoly is :

   (a) Duopoly. (b) Duopsony.

   (c) Monopolistic competition. (d) Pure competition.

3. Nash equilibrium is related to :

   (a) Cost. (b) Production.

   (c) Game. (d) None.

4. In the case of CD production function, out put elasticity of an input is :

   (a) Constant. (b) Unity.

   (c) A function of all the inputs. (d) Indeterminate.

5. In Bernoulli's view, the marginal utility of money diminishes as ————.

   (a) Money income increases. (b) Money income decreases.

   (c) Both. (d) None.

6. Limit pricing was developed by ———.

   (a) Bain. (b) Arrow.

   (c) Kaldor. (d) None.

7. Transformation curve is called ———.

   (a) PPC. (b) Isoquant.

   (c) Iso revenue. (d) None.

8. The oligopoly situation where the new firms are not allowed to enter the industry is called ———.

   (a) Barriers to entry. (b) Economies of scale.

   (c) Product differentiation. (d) None.

9. Oligopoly theory, entry prevention and growth by :

   (a) Sylos Labini. (b) Modigliani.

   (c) J. Bhagawati. (d) K.C. Panth .

10. In a constant sum game one player's gain is always another players :

    (a) Loss. (b) Gain.

    (c) Minimum gain. (d) Maximum gain.

(10 × 1 = 10 marks)

Part B (Very Short Answer Questions)

Answer any **five** *questions.*

Each question carries 2 marks

11. Bernoullian hypothesis.
12. Trade off between risk and return.
13. Capital deepening technical progress.
14. Bandwagon effect.
15. Linearly homogeneous production function.

16. Elasticity of factor substitution.

17. Fixed proportion production function.

18. Types of cost.

(5 × 2 = 10 marks)

Part C (Short Answer Questions)

Answer any **eight** *questions.*

Each question carries 5 *marks.*

19. Explain types of game.

20. Discuss maximin-minimax principle.

21. Explain household portfolio decision under uncertainty.

22. Explain behavioural-economics.

23. Explain stock adjustment principle.

24. Derive LES.

25. Explain CES production function.

26. Explain short run cost function.

27. Explain the types of price leadership.

28. Discuss Franco Modigliani limit pricing.

29. Explain the limitations of game theory.

30. Explain attitude towards risk.

(8 × 5 = 40 marks)

Part D (Essay Type Questions)

Answer any **two** *questions.*

Each question carries 10 *marks.*

31. Discuss N-M utility index.

32. Critically evaluate balanced growth model.

33. Explain characteristics approach to demand analysis.

34. Discuss non collusive models.

(2 × 10 = 20 marks)

D 93474 (Pages : 3) Name.....

Reg. No.....

FIRST SEMESTER P.G. DEGREE EXAMINATION, NOVEMBER 2020

(CCSS)

Economics

ECO 1C 02—MACRO ECONOMIC THEORY AND POLICY

(2019 Admissions)

Time : Three Hours Maximum : 80 Marks

Part A

Answer **all** *questions.*
Each question carries 1 *mark.*

Multiple choice questions :

1. At very low rate of interest, LM curve is perfectly elastic it is known as :
   (a) Classical range. (b) Keynesian range.
   (c) Intermediate range. (d) None of these.
2. The Gurley Shaw thesis is related with :
   (a) The role of money.
   (b) The role of central bank.
   (c) The role of financial intermediaries.
   (d) The role of commercial bank.
3. The APC declines as Y increases, the consumption function is said to be :
   (a) Linear. (b) Non-linear.
   (c) Proportional. (d) Non-proportional.
4. Near money :
   (a) Is almost same theory as money.
   (b) Is money itself.
   (c) Is money only in a limited sense.
   (d) Is not money at all.
5. The optimum capital stock is achieved when the user cost capital is equal to :
   (a) Interest rate.
   (b) The depreciation rate.
   (c) The marginal product of capital.
   (d) Tobin's Q.

Turn over

6. Fishers theory believed the value of money to be determined by the :

(a) Elasticity of demand. (b) Levels of investment .

(c) Quantity of money. (d) Velocity of money.

7. If the investment multiplier is 4,the relevant consumption is given by :

(a) $c = 28 + 0.75y$. (b) $c = -28 + 0.78y$.

(c) $28 + .70y$. (d) $c = 28 + 0.40y$.

8. When the intrinsic value of money all its face value are called :

(a) Token money. (b) Full bodied money.

(c) Quasi money. (d) Fiat money.

9. According to Keynes, interest is related to :

(a) Money supply. (b) Money demand.

(c) Saving. (d) National income.

10. If gross investment falls to zero , national income does not falls to zero because of :

(a) Consumption. (b) Production.

(c) Multiplier. (d) Accelerator.

(10 × 1 = 10 marks)

Part B (Very Short Answer Questions)

Answer any **five** *questions.*
Each question carries 2 *marks.*
Answer in one **or** *two sentences each.*

11. Phases of business cycle.
12. Wage rigidity and flexibility.
13. Unemployment and underemployment.
14. Objectives of monetary policy.
15. High powered money.
16. Speculative demand for money.

17. Autonomous and induced investment.

18. Properties of psychological law of consumption.

(5 × 2 = 10 marks)

Part C (Short Answer Questions)

Answer any **eight** *questions.*
Each question carries 5 *marks.*

19. Explain the causes of inflation.

20. Explain the trends of unemployment in India.

21. Discuss the approaches of BOP.

22. Explain random walk model of consumption.

23. Explain the themes of monetarism.

24. Critically evaluate permanent income hypothesis.

25. Explain the theories of investment.

26. Discuss post Keynesian theories of demand for money.

27. Derive IS-LM open economy model.

28. Explain Q theory of investment.

29. Discuss multiplier accelerator theory

30. Explain crowding out effect

(8 × 5 = 40 marks)

Part D (Essay type questions)

Answer any **two** *questions.*
Each question carries 10 *marks.*

31. Explain political business cycle theory.

32. Discuss theories of consumption.

33. Discuss Keynesian three sector IS-LM model.

34. Explain Radcliff liquidity theory.

(2 × 10 = 20 marks)

D 93475 **(Pages : 4)** **Name.....**

Reg. No.....

FIRST SEMESTER P.G. DEGREE EXAMINATION, NOVEMBER 2020

(CCSS)

Economics

ECO 1C 03—MATHEMATICS FOR ECONOMICS

(2019 Admissions)

Time : Three Hours Maximum : 80 Marks

Part A

Answer **all** *questions.*
Each question carries 1 *mark.*
Multiple choice questions.

1. Ratio of any *two* polynomial function is :

   a) Power function. b) Rational function.

   c) Exponential function. d) Constant function.

2. If A is a singular matrix, then Adj. A is :

   a) Non-singular. b) Singular.

   c) Symmetric. d) Not defined.

3. If $f(-x) = f(x)$ then $f(x)$ is said to be :

   a) An even function. b) An odd function.

   c) An implicit function. d) An inverse function.

4. $\lim_{x \to 2} \frac{x^3 - 8}{x^2 - 4}$ is :

   a) 4. b) 0.

   c) 1. d) ∞.

5. For the given geometric progression find the position of first fractional term $2^{50}, 2^{47}, 2^{44}, \_\_\_\_\_$.

   a) 17. b) 20.

   c) 18. d) None of these.

Turn over

6. If MR is Rs. 15 and the elasticity of demand is 4, then the AR is :

a) 10. b) 60.

c) 20. d) 30.

7. If $y = \frac{1}{x}$ then $\frac{dy}{dx}$ is :

a) $-x^2$. b) $-\frac{1}{x^2}$.

c) x^{-2}. d) -1.

8. If Q = 50 – 3P, demand for free good is :

a) 0. b) 50.

c) 100. d) None of these.

9. Euler's theorem is applicable for :

a) Homogenous functions only.

b) Heterogeneous functions only.

c) Homogenous as well as some non-homogenous functions.

d) Cobb-Douglas production functions only.

10. The slope of the curve $y = x^3 - 12x + 13$ at $(1, 2)$ is :

a) 0. b) 2.

c) 9. d) – 9.

(10 × 1 = 10 marks)

Part B (Very Short Answer Questions)

Answer any **five** *questions.*
Each question carries 2 marks.
Answer in one **or** *two sentences.*

11. Evaluate $\lim_{x \to 2} \frac{x^2 + 2x - 8}{x - 2}$.

12. If $z = T_y + 3$ where $y = 5x^2$, find $\frac{dz}{dx}$.

13. Given $f(x) = 4x^3 - 10x^2 + 16x - 40$, find $f(5)$ and $f(4)$.

14. Find the compound interest after 4 years for a principal of Rs. 200 at an interest rate of 8 % per year.

15. Find the rank of matrix $A = \begin{bmatrix} 1 & 4 & 0 \\ 2 & 5 & 0 \\ 3 & 6 & 0 \end{bmatrix}$.

16. Find the total differential of $z = 3x^2 + xy - 2y^3$.

17. Evaluate $\int_1^2 \frac{t^2 + 2t + 5}{t}\, dt$.

18. What is point of inflexion ?

(5 × 2 = 10 marks)

Part C (Short Answer Questions)

Answer only **eight** *questions.*
Each question carries 5 *marks.*

19. Solve the following differential equation and check the answer using $t = 0$ and $t = 1$

$10Y_1 + 4Y_{t-1} - 280 = 0,\ Y_0 = 30.$

20. Evaluate $\int \frac{4x}{\left(x^2 - 3\right)^2}\, dx$.

21. What combination of goods should a firm to produce to minimise costs when the joint cost function is $C = 12x^2 + 20y^2 - 2xy + 60$ and firm has a production quota of $x + y = 68$.

22. The supply function for a commodity $P = 2x^2 - 2x + 10$ where x denotes supply. Find the producer's surplus when price is Rs. 22.

23. Find the derivative of the following using logarithmic function :

$$g(x)=\frac{\left(4x^3-3\right)\left(8x^4+2\right)}{\left(7x^5-1\right)}.$$

24. Distinguish between net present value and internal rate of return.

25. Compute the co-factor for the following matrix $A=\begin{bmatrix}1 & 1 & -3\\ 2 & 5 & 1\\ 1 & 3 & 2\end{bmatrix}$.

26. Explain briefly the types of functions.

27. Given the total cost function as $C=4Q-4Q^2+2Q^3$. Calculate AC, MC and level of output Q at which AC is minimum. Verify that the minimum of AC is equal to MC.

28. Explain the relationship between rate of interest and the price of bonds.

29. Find the profit maximising level of output, price and profit from the given functions

$x=100-P_x$

$y=152-2P_y$

$C=6x^2+4xy+4y^2+110.$

30. Find sign definiteness using eigen values $A=\begin{bmatrix}20 & 6\\ 6 & 8\end{bmatrix}$.

(8 × 5 = 40 marks)

Part D

Answer only **two** *questions.*
Each question carries 10 *marks.*

31. Use the matrix inversion to solve for x_1, x_2 and x_3 in the given linear equations :

$$6x_1+10x_2+2x_3=72$$
$$2x_1+4x_2+8x_3=84$$
$$8x_1+6x_2+4x_3=56.$$

32. Explain the use of differential calculus in economics.

33. Solve the equations by using Cramer's rule :

$$10x_1-4x_2+6x_3=32$$
$$4x_1+6x_2-10x_3=4$$
$$8x_1-10x_2+12x_3=14.$$

34. Optimize the following function using Lagrange multiplier

$z=8x^2-4xy+12y^2$ subject to $x+y=144.$

(2 × 10 = 20 marks)

D 93476 **(Pages : 3)** **Name.....**

Reg. No.....

FIRST SEMESTER P.G. DEGREE EXAMINATION, NOVEMBER 2020

(CCSS)

Economics

ECO 1C 04—INDIAN ECONOMY-PROBLEMS AND POLICIES

(2019 Admissions)

Time : Three Hours Maximum : 80 Marks

Part A

Answer **all** *questions.*
Each question carries 1 *mark.*

1. RBI was nationalised in :

   a) 1959. b) 1947.

   c) 1945. d) 1949.

2. Gender Development Index was introduced for the first time in Human Development Report :

   a) 2011. b) 2012.

   c) 2013. d) 2014.

3. Which of the following states holds II nd rank after Kerala in female literacy as per census 2011 :

   a) Mizoram. b) Tripura.

   c) Goa. d) Meghalaya.

4. Economic development means :

   a) Growth plus certain changes. b) Growth plus equity.

   c) Growth plus welfare. d) All of these.

5. In which plan phase of heavy industrialisation was initiated :

   a) Fourth. b) Third.

   c) Second . d) First.

6. Agriculture credit is given by :

   a) SEBI. b) RBI.

   c) NABARD. d) All of these.

Turn over

7. Which among the following is not a basis of HDI ?

a) Life expectancy. b) Women's literacy.

c) Combined enrolment ratio. d) Real GDP Per capita.

8. Migration means :

a) Geographical mobility. b) Linguistic mobility.

c) Movement on the basis of sex. d) None of these.

9. The growth rate of agricultural production was negative in the :

a) First plan b) Second plan

c) Third plan d) All of the above

10. Major percentage of working population of India at present is engaged in :

a) Tertiary sector b) Secondary sector

c) Private sector d) Public sector.

(10 × 1 = 10 marks)

Part B

Answer any **five** *questions.*
Each question carries 2 *marks.*

11. Structural adjustment programme.
12. Inclusive growth.
13. Millennium development goals.
14. Urbanisation.
15. Absolute poverty.
16. Tourism.
17. Decentralisation.
18. Inequality.

(5 × 2 = 10 marks)

Part C

Answer any **eight** *questions.*
Each question carries 5 *marks.*

19. Explain the sustainability of Kerala Model of Development.
20. Explain the major causes of poverty in India.
21. Discuss the main objectives of five year plan in India.
22. Give an account on contribution of agriculture sector to GDP.

23. Examine the emerging issues in Kerala's health sector.

24. Mention the structure of education in Kerala.

25. Discuss the adverse effects of emigration on Kerala economy.

26. Discuss the foreign investment and technology since reforms.

27. Discuss the regional disparity in growth and development in India.

28. Explain the inclusiveness in five year plans.

29. Discuss the economic impact of gulf migration in Kerala economy.

30. Discuss the structural changes in Indian economy.

(8 × 5 = 40 marks)

Part D

Answer any **two** *questions.*
Each question carries 10 *marks.*

31. Describe the basic features of Indian economy

32. Discuss the urbanisation and its trends in Kerala

33. Critically examine decentralised planning in Kerala

34. Examine the impact of emigration on Kerala economy.

(2 × 10 = 20 marks)

D 93275 **(Pages : 4)** **Name**.....

Reg. No.....

FIRST SEMESTER M.A. DEGREE (REGULAR/SUPPLEMENTARY) EXAMINATION, NOVEMBER 2020

(CBCSS)

Economics

ECO 1C 04—QUANTITATIVE METHODS FOR ECONOMIC ANALYSIS—I

(2019 Admissions)

Time : Three Hours Maximum : 30 Weightage

General Instructions

1. *In cases where choices are provided, students can attend* **all** *questions in each section.*
2. *The minimum number of questions to be attended from the Section / Part shall remain the same.*
3. *There will be an overall ceiling for each Section / Part that is equivalent to the maximum weightage of the Section / Part.*

Part A (Multiple Choice Questions)

Answer **all** *questions.*
Each question carries ¼ weightage.

1. If A and B are matrices of order 3 × 2 and 2 × 1 respectively, then the product AB is of order :

   (a) 3 × 3. (b) 3 × 4.

   (c) 2 × 3. (d) 2 × 4.

2. Co-factor of an element of a matrix s also known as :

   (a) Minor. (b) Signed minor.

   (c) Diagonal element. (d) Characteristic root.

3. If A is a singular matrix, then A^{-1} is :

   (a) Non-singular. (b) Singular.

   (c) Symmetric. (d) Not defined.

4. The determinant value of the matrix $\begin{bmatrix} -4 & 2 \\ -3 & -4 \end{bmatrix}$ is :

   (a) 22. (b) – 22.

   (c) 10. (d) – 10.

Turn over

5. Find the equilibrium price if the demand and supply functions are given by $D = -9 + p$ and $S = -3 - p$:

(a) 2. (b) 3.

(c) 4. (d) 5.

6. Derivative of $f(x) = e^x$ at $x = 0$ is:

(a) 0. (b) 1.

(c) e. (d) -1.

7. If R is the total revenue, the marginal revenue is:

(a) $\frac{R}{x}$. (b) $R \times x$.

(c) $\frac{x}{R}$. (d) $\frac{dR}{dx}$.

8. The slope of the equation $2x - 4y + 4 = 0$ is:

(a) $\frac{2}{3}$. (b) $\frac{3}{2}$.

(c) $\frac{1}{2}$. (d) 2.

9. Find the last term of the series $-3, -1, 1, \ldots$ 40 terms:

(a) 75. (b) 65.

(c) 30. (d) 85.

10. The integral of $6x^2$ is:

(a) $6x^3$. (b) $2x^3$.

(c) $2x^2$. (d) $6x^2$.

11. The inverse process of integration is:

(a) Matrix inversion. (b) Matrix multiplication.

(c) Differentiation. (d) Optimization.

12. Find $\lim_{x \to 2} x^5 + 7$:

(a) 32. (b) 39.

(c) 36. (d) 33.

(12 × ¼ = 3 weightage)

Part B (Short Answer Type)

Answer any **five** *out of eight questions.*
Each question carries 1 *weightage.*

13. Define characteristic equation md characteristic roots.

14. Explain the rules of limits.

15. Define continuity of a function. Check the continuity of $f(x) = \frac{1}{x-2}$ at $x = 2$.

16. Solve the differential equation $\frac{dy}{dx} = \frac{y}{1+x}$.

17. Differentiate $y = \frac{x^3 + 2x}{x^2 + 1}$ with respect to x.

18. If average revenue is Rs. 40 and the elasticity is 5, find the marginal revenue.

19. If $A = \begin{bmatrix} 1 & 2 \\ 3 & 4 \end{bmatrix}$ and $B = \begin{bmatrix} 0 & -1 \\ 6 & 7 \end{bmatrix}$. Verify that $(AB)^T = B^T . A^T$.

20. Find the sum of 10 terms of an arithmetic progression whose 7^{th} term is 30 and 13^{th} term is 54.

(5 × 1 = 5 weightage)

Part C (Paragraph Type)

Answer any **seven** *out of ten questions.*
Each question carries 2 *weightage.*

21. Solve the following equations by using Crammer's rule :

$2x_1 + 3x_2 = 13$ and $x_1 + 7x_2 = 23$.

22. Find the rank of $A = \begin{bmatrix} 1 & 2 & 0 & 5 \\ 3 & 1 & 2 & 2 \\ 2 & 4 & 0 & 10 \end{bmatrix}$.

23. A company has examined the cost structure and has determined that $C = 100 + 0.015x^2$ and $R = 3x$ where C is the total cost, R is the total revenue and x is the number of units produced. Find the production rate x that will maximize profits of the company. Find out that profit.

24. Define price elasticity of supply. Find the elasticity of supply when price = 5 units. Supply function is given by $q = 25 - 4p + p^2$ where q is the supply at price p.

25. Define total differential. Find the total differential of $z = \frac{x}{x+y}$.

26. Explain various functions in Economics.

27. The sum of three numbers in a geometric progression is 35 and their product is 1000. Find the numbers.

28. Evaluate the following definite integrals :

(a) $\int_1^3 \left(x^3 + x + 6\right) dx$; and (b) $\int_1^3 \left(4x^3 + 6x\right) dx$.

29. Explain the optimization techniques using Lagrangian multiplier method. Maximize the utility function $U = 4xy - y^2$ subject to the constraint $2x + y - 6 = 0$.

30. If $z = \frac{x^2y^2}{x+y}$, show that $x\frac{\partial z}{\partial x} + y\frac{\partial z}{\partial y} = 3z$.

(7 × 2 = 14 weightage)

Part D (Essay Type)

Answer any **two** *out of four questions.*
Each question carries 4 *weightage.*

31. Solve the following equations using matrix inversion method :

$$2x + 4y - z = 15$$
$$x - 3y + 2z = -5$$
$$6x + 5y + z = 28.$$

32. (a) The cost for a monopolist firm producing x items per week is given to be $4x^2 - 80x + 500$ rupees. To have minimum Cost, how many units should be produced per week ?

(b) Revenue function of a firm is given by $R = 14x - x^2$ and the cost function is $C = x\left(x^2 - 2\right)$. Find (i) Average cost ; (ii) Marginal cost ; (iii) Marginal revenue ; and (iv) Equilibrium position.

33. (a) $z = \frac{x^3 - y^3}{xy}$ show that $x\frac{\partial z}{\partial x} + y\frac{\partial z}{\partial y} = z$.

(b) If $u = x^3 - 3xy^2$ and $v = 3x^2y - y^3$, prove that $\frac{\partial^2 u}{\partial x^2} + \frac{\partial^2 u}{\partial y^2} = \frac{\partial^2 v}{\partial x^2} + \frac{\partial^2 v}{\partial y^2}$.

34. India's population in 1950 and 1967 was 36 and 51.4 crore persons respectively. Find the annual arithmetic and geometric rate of growth.

(2 × 4 = 8 weightage)

D 93274 **(Pages : 4)** **Name**.....

Reg. No.....

FIRST SEMESTER M.A. DEGREE (REGULAR/SUPPLEMENTARY) EXAMINATION, NOVEMBER 2020

(CBCSS)

Economics

ECO 1C 03—INDIAN ECONOMY : PROBLEMS AND POLICIES

(2019 Admissions)

Time : Three Hours Maximum : 30 Weightage

General Instructions

1. *In cases where choices are provided, students can attend* **all** *questions in each section.*
2. *The minimum number of questions to be attended from the Section / Part shall remain the same.*
3. *There will be an overall ceiling for each Section / Part that is equivalent to the maximum weightage of the Section / Part.*

Part A

Answer **all** *questions.*
Each question carries ½ weightage.

Choose the correct answer for the following :

1. Estimates of national income in India are prepared by the ———— ?
   (a) Ministry of Finance. (b) Central Statistical Organization.
   (c) Reserve Bank of India. (d) Planning Commission.
2. The Second Five Year Plan was based on the ————.
   (a) Harrod-Domar Model. (b) Mahalanobis Model.
   (c) Gadgil Mukherjee Model. (d) Ashoka Rudra Model.
3. Which of the following statement(s) is/are correct about the NITI Aayog ?
   I. The aim of NITI Aayog is to achieve Sustainable Development Goals and to enhance cooperative federalism in the country.
   II. The Prime Minister of India is the ex officio Chairperson of the NITI Aayog.
   III. There are 8 full time members in the NITI Aayog.
   (a) Only I. (b) Only II.
   (c) Only I & II. (d) Only II & III.

Turn over

4. Industrial policy of 1991 was :

   (a) Anti-private Sector Policy.
   (b) Pro-public Sector Policy.
   (c) Pro-private Sector Policy.
   (d) Anti-public Sector Policy.

5. The most urgent problem which prompted the introduction of New Economic Policy in 1991 was :

   (a) Poor performance of public sector.
   (b) Foreign Exchange Crisis.
   (c) High tax rate leading to tax evasion.
   (d) All of these.

6. Which of the following is not one of those steps taken in financial sector reforms ?

   (a) Liberalisation of branching regulations for both private and public sector banks.
   (b) Reduction of barriers for entry of private banks.
   (c) Delicensing of industries
   (d) Lifting of regulations on interest rate of deposit.

7. Consider the following statements :

   I. Macroeconomic Stabilisation Measures include all those economic policies which intend to boost the aggregate demand in the economy - both domestic and external.

   II. For enhancing domestic demand, focus has been on increasing purchasing power of the masses.

   Which of the following statement(s) is/are correct ?

   (a) Only I.
   (b) Only II.
   (c) Both I and II.
   (d) Neither I nor II.

8. When was the first IndustrialPolicy of India launched ?

   (a) 1956.
   (b) 1948.
   (c) 1951.
   (d) 1965.

9. Absolute Poverty refers to poverty in terms of :

   (a) Prevailing price level.
   (b) Absolute level of employment.
   (c) Absolute number of people.
   (d) Basic minimum calorie requirements.

10. ———— coined the term Washington Consensus.

   (a) George Williamson.
   (b) George Williams.
   (c) John Williamson.
   (d) John Williams.

11. ———— is used in India to estimate inflation.

(a) Commodity Price Index. (b) Productive Price Index.

(c) GDP deflator. (d) Wholesale Price Index.

12. Consider the following :

I. Reforms in India were completed through three processes namely, liberalisation, privatisation and globalisation, (LPG).

II. Liberalisation shows the direction of reform, privatisation shows the path of reform and globalisation shows the ultimate goal of the reform.

Which of the following statement(s) is/are correct ?

(a) Only I. (b) Only II.

(c) Both I and II. (d) Neither I nor II.

(12 × ½ = 3 marks)

Part B (Short Answer Type)

Answer any **five** *out of eight questions.*
Each carries 1 *weightage.*

13. Remittance.

14. Absolute Poverty.

15. Food Inflation.

16. Step down Planning.

17. Cooperative Federalism.

18. GVA.

19. Make in India Initiative.

20. Diaspora.

(5 × 1 = 5 weightage)

Part C (Short Essay Type)

Answer any **seven** *out of ten questions.*
Each carries 2 *weightage.*

21. What are the achievements of Planning in India ?

22. Explain the Trade Policy reforms.

23. Mention the reasons for the Industrial backwardness of Kerala.
24. What are inclusive policies of the Government ?
25. Detail the trends in saving and investment since reforms in India.
26. Elaborate on the background of economic reforms in India.
27. Detail the Kerala Model of Development.
28. Write a note on Headline Inflation.
29. List in detail the objectives of Planning.
30. Critically evaluate NITI Aayog and its vision document.

(7 × 2 = 14 weightage)

Part D (Essay Type)

Answer any **two** *out of four questions.*
Each carries 4 *weightage.*

31. Specify the second generation economic reforms.
32. Write an essay on the various measurements of inflation used in India. Differentiate between each individually.
33. What are the regional disparities in growth and development in India
34. Differentiate between GDP and GVA. Mention the contribution of different sectors to GDP and GVA.

(2 × 4 = 8 weightage)

D 93273 (Pages : 4) Name.....

Reg. No.....

FIRST SEMESTER M.A. DEGREE (REGULAR/SUPPLEMENTARY) EXAMINATION, NOVEMBER 2020

(CBCSS)

Economics

ECO 1C 02—MACRO ECONOMICS : THEORIES AND POLICIES—I

(2019 Admissions)

Time : Three Hours Maximum : 30 Weightage

General Instructions

1. *In cases where choices are provided, students can attend* **all** *questions in each section.*
2. *The minimum number of questions to be attended from the Section / Part shall remain the same.*
3. *There will be an overall ceiling for each Section / Part that is equivalent to the maximum weightage of the Section / Part.*

Part A

Multiple Choice Questions.
Answer **all** *questions.*
Each question carries ¼ weightage.

1. In the ISLM Model, if the interest rate is measured along OY axis, the money supply in response to interest rate changes is :
   (a) Exogenously determined, thus vertical.
   (b) Exogenously determined, thus elastic.
   (c) Endogenously determined, thus vertical.
   (d) Endogenously determined, thus horizontal.
2. If the rate of change or shift in IS function is equal to the rate ot change or shift in LM function, then :
   (a) Interest rate increase and income decline.
   (b) Both interest rate and income increase.
   (c) Interest rate decrease and income increase.
   (d) Interest rate constant and income increase.
3. Liquidity trap is a situation when demand for money is :
   (a) Zero elastic.
   (b) Unit elastic.
   (c) Perfectly elastic.
   (d) Relatively more elastic.

4. According to Milton Friedman quantity theory of money is the theory of :

   (a) Price. (b) Income.

   (c) Demand for money. (d) Supply of money.

5. In the case of proportional relation between consumption and income :

   (a) APC > MPC. (b) APC = MPC.

   (c) APC < MPC. (d) APC = MPS.

6. When the demand for money is infinitely interest elastic, the effectiveness of an expansionary monetary policy is ?

   (a) The highest. (b) Moderate.

   (c) Very low. (d) Nil.

7. Based on accelerator - multiplier interaction, whose theory of trade cycle generates constrained cycle :

   (a) J. R. Hicks. (b) N. Kaldor.

   (c) Paul Samuelson. (d) Robert Lucas.

8. Portfolio theory of demand for money assumes that the individual :

   (a) Disregards risk. (b) Is risk neutral.

   (c) Is risk lover. (d) Is risk averter.

9. The size of the Money Multiplier is larger, when ?

   (a) Less interest elastic is demand for money.

   (b) More interest elastic is demand for investment.

   (c) Both (a) and (b) True.

   (d) Neither (a) nor (b) True.

10. According to the Keynesian ISLM analysis, monetary policy is effective, if (A) The less interest-elastic is the demand for money, and ; (B) The more interest-elastic is the demand for investment.

   (a) Both (A) and (B) are correct.

   (b) Neither (A) nor (B) is correct.

   (c) Only (A) is correct.

   (d) Only (B) is correct.

11. Crowding out effect involves an increase in government spending which results into :

    (a) Increase in prices.

    (b) Reduction in private investments.

    (c) Increase in private investments.

    (d) Reduction in interest rates.

12. The relationship between value of money and general price level is :

    (a) Direct. (b) Indirect.

    (c) Inverse. (d) Proportional.

(12 × ¼ = 3 weightage)

Part B (Short Answer Type Questions)

Answer any **five** *questions.*
Each question carries 1 *weightage.*

13. State Absolute Income Hypothesis.

14. Distinguish between proportional and non-proportional consumption function.

15. Explain liquidity trap.

16. Define natural rate of unemployment.

17. Write a note elasticity of LM Curve.

18. State Ricardian equivalence.

19. How does IS Curve shifts ?

20. What do you mean by crowding out phenomenon ?

(5 × 1 = 5 weightage)

Part C (Paragraph Type Questions)

Answer any **seven** *questions.*
Each question carries 2 *weightage.*

21. Explain inter-temporal choice model in consumption behaviour

22. Explain liquidity preference approach.

23. State and explain long run Philips curve.

24. Explain the Kaldor's theory of business cycle.

25. What are the macroeconomic policy instruments ?

26. Describe the extension of ISLM Model with labour market and flexible prices.

27. State and explain Tobin's Q Ratio.

28. Describe the Permanent Income Hypothesis.

29. Compare the Keynesian and neo-classical versions of three sector macroeconomic model.

30. What are the objectives of macroeconomic policies ?

(7 × 2 = 14 weightage)

Part D (Essay Type Questions)

Answer any **two** *questions.*
Each question carries 4 *weightage.*

31. IS-LM model is a general equilibrium model. Illustrate.

32. Explain and evaluate the further modifications and extensions on Philips Curve.

33. Critically examine Friedman's re-statement of quantity theory of money.

34. Examine the functions that determine Central Banks autonomy. State the arguments for against the autonomy of central bank.

(2 × 4 = 8 weightage)

D 93272 (Pages : 4) Name.....

Reg. No.....

FIRST SEMESTER M.A. DEGREE (REGULAR/SUPPLEMENTARY) EXAMINATION, NOVEMBER 2020

(CBCSS)

Economics

ECO 1C 01—MICRO ECONOMICS : THEORY AND APPLICATIONS—I

(2019 Admissions)

Time : Three Hours Maximum : 30 Weightage

General Instructions

1. *In cases where choices are provided, students can attend* **all** *questions in each section.*
2. *The minimum number of questions to be attended from the Section / Part shall remain the same.*
3. *There will be an overall ceiling for each Section / Part that is equivalent to the maximum weightage of the Section / Part.*

Part A (Multiple Choice Questions)

Answer **all** *questions.*
Each question carries ¼ weightage.

1. A market structure wherein a market or industry dominated by a small number of large sellers :

   (a) Monopolistic Competition. (b) Bilateral monopoly.

   (c) Monopolistic Competition. (d) Oligopoly.

2. The kinked demand curve model seeks to explain the reason of ———— under oligopolistic market situations.

   (a) Equilibrium. (b) Price rigidity.

   (c) Demand flexibility. (d) Elasticity.

3. In game theory, a ———— is a mathematical representation of a situation in which each participant's gain or loss of utility is exactly balanced by the losses or gains of the utility of the other participants

   (a) Win-win game. (b) Social trap.

   (c) Minimax theorem. (d) Zero-sum game.

Turn over

4. The capital that is consumed by an economy or a firm in the production process is known as :

   (a) Production cost. (b) Opportunity cost.

   (c) Depreciation. (d) Welfare loss.

5. A non-competitive, secret, and sometimes illegal agreement between rivals who conspire to work together to gain an unfair market advantage are termed as :

   (a) Price fixing. (b) Spot fixing.

   (c) Collusion. (d) Cost leadership.

6. A ———————— is a mathematical formula used to chart how production expenses will change at different output levels is known as.

   (a) Cost function. (b) Production function.

   (c) Total output. (d) Marginal product.

7. The elasticity of the ratio of two inputs to a production function with respect to the ratio of their marginal products is termed as :

   (a) Marginal rate of technical substitution.

   (b) Cost elasticity.

   (c) Elasticity of substitution.

   (d) Scale elasticity.

8. The problem why most people are unwilling to participate in a fair game or bet :

   (a) St. Petersburg paradox. (b) Newcomb's paradox.

   (c) Friedman-Savage hypothesis. (d) none of the above.

9. A form of risk management, primarily used to hedge against the risk of a contingent or uncertain loss.

   (a) Underwriting. (b) Insurance.

   (c) Mutual fund. (d) Investment.

10. If the demand for a good is inelastic, an increase in its price will cause the total expenditure of the consumers of the good to :

   (a) Increase. (b) Decrease.

   (c) Remain the same. (d) Become zero.

11. In the short run, when the output of a firm increases, its average fixed cost :

    (a) Remains constant. (b) Increases.

    (c) Decreases. (d) First decreases and then rises.

12. If marginal costs equal average total costs :

    (a) Average total costs are falling.

    (b) Average total costs are maximized.

    (c) Average total costs are rising.

    (d) Average total costs are minimized.

(12 × ¼ = 3 weightage)

Part B (Short Answer Type)

Answer any **five** *out of eight questions.*
Each question carries 1 *weightage.*

13. What is expected utility ?

14. Define linear demand curve.

15. What are the characteristics of oligopoly ?

16. Define Cartel.

17. What is Nash Equilibrium ?

18. Write down bandwagon effect.

19. What do you mean by linear homogenous production function ?

20. What is the difference between economies of scale and returns to scale ?

(5 × 1 = 5 weightage)

Part C (Paragraph Type)

Answer any seven *out of ten questions.*
Each question carries 2 *weightage.*

21. Explain St. Petersburg Paradox.

22. Why are prices stable in a non-collusive oligopoly ?

23. Explain different types and advantage of price leadership.

24. What is N-M Utility Index and point out its assumptions ?

25. What is cost function ? Explain its importance.

26. Give an account of Cobb-Douglas production function ?

27. Compare Cournot and Bertrand models.

28. Describe snob effect demand curve with diagram.

29. Give an account on fixed proportion production function.

30. Critically examine Prisoner's dilemma ?

(7 × 2 = 14 weightage)

Part D (Essay Type)

Answer any **two** *out of four questions.*
Each question carries 4 *weightage.*

31. Discuss two person zero-sum game with saddle point and dominant strategy.

32. Examine Houthakker and Taylor dynamic demand functions.

33. Explain Markowitz Hypothesis.

34. Define CES production function. State its properties.

(2 × 4 = 8 weightage)

C 83841 (Pages : 4) Name.....

Reg. No.....

M.A. (PREVIOUS) DEGREE (CBCSS) EXAMINATION, APRIL/MAY 2020

(PVT/SDE)

M.A. Economics—First Semester

ECO 1C 04—QUANTITATIVE METHODS FOR ECONOMIC ANALYSIS—I

(2019 Admissions)

Time : Three Hours Maximum : 30 Weightage

Part B

SECTION A

Multiple Choice Questions.
Answer **all** *questions.*
Each question carries ¼ weightage.

1. If A is a matrix of order 2 × 3 and B is another matrix of order 3 × 4, then the product AB is of order.

   (a) 3 × 3. (b) 3 × 4.

   (c) 2 × 3. (cl) 2 × 4.

2. Transpose of co-factor matrix of a matrix A is called :

   (a) Inverse of A. (b) Adjoint of A.

   (c) Transpose of A. (d) None of these.

3. Norm of a vector means :

   (a) Order of the vector. (b) Length of the vector.

   (c) Components of the vector. (d) None of these.

4. Two matrices are conformable for addition if :

   (a) They are of the same order.

   (b) Number of columns are same.

   (c) Number of rows are same.

   (d) Number of rows are different.

5. Inverse exist only for :

   (a) Square matrices. (b) Diagonal matrices.

   (c) Singular matrices. (d) Non-singular matrices.

Turn over

6. If $f(x) = 2x^2$, the value of $f'(1)$ is :

(a) 2. (b) 4.

(c) 1. (d) 0.

7. The value of $\lim_{x \to 4} x^2$ is :

(a) 10. (b) 4.

(c) 16. (d) x.

8. The derivative of $y = 4 - 2x^3$ is ————.

(a) $2x^2$. (b) $-6x^2$.

(c) $4 - 6x^2$. (d) 4.

9. The integral of $\frac{1}{x}$ is ————.

(a) $\log x$. (b) $\frac{1}{x^2}$.

(c) e^x. (d) x.

10. The 10th term of the series $\frac{1}{4}, 1, \frac{7}{4}, \frac{10}{4}, \ldots\ldots$ is :

(a) 12. (b) 5.

(c) 7. (d) 8.

11. A form of parabola is :

(a) $y^2 = 4ax$. (b) $\frac{x^2}{a^2} - \frac{y^2}{b^2} = 1$.

(c) $xy = c$. (d) None of these.

12. Slope of a straight line is :

(a) Same at all points. (b) Varies from point to point.

(c) 0. (d) 1.

(12 × ¼ = 3 weightage)

Section B (Short Answer Type)

Answer any **five** *out of eight questions.*
Each question carries 1 *weightage.*

13. Distinguish between linear and quadratic functions with example.

14. Distinguish between vector and matrix.

15. Define a polynomial function with example.

16. Define market equilibrium. The demand for a commodity is $D = 35 - 7p$, the supply function is $S = 2p - 5$. Find the equilibrium price.

17. Find the value of $\lim_{x \to 3} \frac{x^2 - 3x + 2}{x^2 - 5x + 6}$.

18. Explain differentiation.

19. Define price elasticity of demand. If the marginal revenue is 25 and the elasticity of demand with respect to price is 2, find the average revenue.

20. Define definite integral. Find $\int_2^3 x^2 \, dx$.

(5 × 1 = 5 weightage)

Section C (Paragraph Type)

Answer any **seven** *out of ten questions.*
Each question carries 2 weightage.

21. Explain the properties of a determinant.

22. Solve the following equations $2x + 3y = 1$ and $3x + y = 5$ using Crammer's rule.

23. Find the rank of $A = \begin{bmatrix} 2 & 3 & 1 & 2 \\ 1 & 0 & 1 & 2 \\ 2 & 0 & 2 & 4 \end{bmatrix}$.

24. Find the characteristic roots of the matrix $A = \begin{bmatrix} 3 & 2 \\ 1 & 4 \end{bmatrix}$.

25. Find the derivative of (i) $\frac{x^2 - 1}{x^2 + 1}$ and (ii) $\frac{x^2 + 3x + 2}{x + 5}$.

26. A radio manufacturer produces x sets per week at a total cost of Rs. $x^2 + 78x + 2500$. The demand function is $8x = 600 - p$ where. p is the price per unit. When is the net revenue maximum ? What is the price per set then ?

27. If $z = f(u)$ and $u = \dfrac{x^2 + y^2}{x^2 - y^2}$, show that $x \dfrac{\partial z}{\partial x} + y \dfrac{\partial z}{\partial y} = 0$.

28. Find the area between the parabola $y - x^2 - 4x + 5$, the x-axis and the ordinates at $x = 2$ and $x = 5$.

29. Distinguish between arithmetic series and geometric series. The last term of the series 6. 3½ 1. ... is – 19, find the number of terms.

30. Find the difference between compound interest and simple interest for 2 years on a sum of Rs. 1,800 at 4 % per annum.

(7 × 2 = 14 weightage)

PART D (ESSAY TYPE)

Answer any **two** *out of four questions.*
Each question carries 4 *weightage.*

31. Solve the following equations using Crammer's rule.

$5x - 6y + 4z = 15$

$7x + 4y - 3z = 19$

$2x + y + 6z = 46$

32. Total revenue function of a firm is given by $R = 21x - x^2$ and its total cost function is $C = \dfrac{1}{3}x^3 - 3x^2 - 7x + 16$ where x is the output. Find

(a) The output at which the, total revenue is maximum.

(b) The output at which the total cost is minimum.

33. (a) Find the are bounded by the curve $y = x^2 - x + 1$, the x-axis and the ordinates at $x = 1$, $x = 3$.

(b) Show that the area bounded by the parabola $y^2 = 16x$ the x-axis and the ordinate at $x = 8$ is equal to $\dfrac{8}{3} 8^{3/2}$.

34. A firm produces 550 TV during its first year. The sum of the firm's total production at the end of 5 years was 3000.

(a) Estimate by how many units, production increased each year ; and

(b) Forecast based on the estimate of the annual increment in production, the level of output for the 10th year and also find out the sum of 10 years's production.

(2 × 4 = 8 weightage)

C 83841 (Pages : 4 + 4 = 8) Name.....

Reg. No.....

M.A. (PREVIOUS) DEGREE (CBCSS) EXAMINATION, APRIL/MAY 2020

(PVT/SDE)

M.A. Economics—First Semester

ECO 1C 04—QUANTITATIVE METHODS FOR ECONOMIC ANALYSIS—I

(2019 Admissions)

Part A

	DD	MM	YEAR	
Date of Examination :	☐☐	☐☐	☐☐☐☐	FN/AN

Time : 15 Minutes **Total No. of Questions : 20**

INSTRUCTIONS TO THE CANDIDATE

1. This Question Paper carries Multiple Choice Questions from 1 to 20.
2. Immediately after the commencement of the examination, the candidate should check that the question paper supplied to him/her contains all the 20 questions in serial order.
3. Write the Name, Register Number and the Date of Examination in the space provided.
4. Each question is provided with choices (A), (B), (C) and (D) having one correct answer. Choose the correct answer and enter it in the main answer book.
5. **Candidate should handover this Question paper to the invigilator after 15 minutes and before receiving the question paper for Part B Examination.**

ECO 1C 04—QUANTITATIVE METHODS FOR ECONOMIC ANALYSIS—I

Part A

Multiple Choice Questions :

1. Which of the following is not a type of matrix ?

   (A) Square Matrix. (B) Scalar Matrix.

   (C) Trace Matrix. (D) Term Matrix.

2. What is true regarding Determinant of a Matrix'.'

   (A) The concept of determinant is applicable to square matrices only.

   (B) To find determinant, subtract diagonal elements together.

   (C) determinant is a vector value that can be computed from the elements of a Trace matrix.

   (D) Both (A) and (C).

3. The concept of Eigen values and vectors is applicable to ?

   (A) Scalar matrix. (B) Identity matrix.

   (C) Upper triangular matrix. (D) Square matrix.

4. Singular matrix are ?

   (A) Non-invertible

   (B) Invertible

   (C) Both non-invertible and invertible.

   (D) None of the above.

5. The matrix which is the sum of all the diagonal elements of a square matrix ?

   (A) Diagonal matrix. (B) Trace matrix.

   (C) Identity matrix. (D) Both (A) and (B).

6. ——— is equal to the maximum number of linearly independent row vectors in a matrix.

   (A) Row matrix. (B) Rank of a matrix.

   (C) Term matrix. (D) Linear matrix

7. The cofactor is always preceded by a ?

   (A) Positive (+) sign. (B) Negative (–) sign.

   (C) Positive (+) or negative (–) sign. (D) With decimal.

8. Inverse of matrix equals :

(A) $\frac{Ad\ joint\ matrix}{[A]}$.

(B) $Ad\ joint\ matrix * |A|$.

(C) $\frac{|A|}{Ad\ joint\ matrix}$.

(D) None of the above.

9. $f(x) = 3x^3 - 4x^2 + 10$ implies :

(A) $f(1) = 10$.

(B) $f'(x) = 9x^2 - 8x + 10$.

(C) $f''(x) = 18x - 8$.

(D) $f'(2) = 20$.

10. Which of the following are true ?

(A) $f(x) = ax^n$ implies $f'(x) = anx^{n-1}$.

(B) $f(x) = ax^n$ implies $f'(x) = anx^{n+1}$.

(C) $f(x) = ax^n$ implies $f'(x) = anx^n$.

(D) None of the above.

11. Slop of total cost curve equal to :

(A) MR.

(B) MC.

(C) AR.

(D) AC.

12. What is the value of slope in the inflection point ?

(A) 1.

(B) 2.

(C) –1.

(D) 0.

13. What is the MP of labour of cob drugless production function ? $Q = AL^{\alpha}L^{\beta}$.

(A) $\alpha * AP_L$.

(B) $\beta * AP_L$.

(C) α.

(D) β.

14. $= e^{2x+3}$, what is $\frac{dy}{dx}$:

(A) e^{2x+3}.

(B) $x = 3$.

(C) 2.

(D) $2e^{2x+3}$.

15. $\int X + 3\, dx =$

(A) $\frac{x^2}{2} + 3.$ (B) $\frac{x^2}{2} + c.$

(C) $\frac{x^2}{2} + 3x + c.$ (D) $\frac{x^2}{2} + 3x.$

16. $f \frac{1}{x} dx = ?$

(A) $x + c.$ (B) $1/x + c.$

(C) $\log\ x + c.$ (D) $\frac{1}{x^2} + c.$

17. A project assumed monetary gain or loss by discounting entire cash inflows and outflows by utilising the necessary rate of return is listed as :

(A) Net recorded cash value. (B) Net discounted value.

(C) Net future value. (D) Net present value.

18. Which method in a capital budgeting is based on the discounted cash flow ?

(A) Net equity budgeting method. (B) Net capital budgeting method.

(C) Net future value method. (D) Net present value method.

19. Which of the option is not a part of the three primary procedure of firm valuation ?

(A) Market Share. (B) Balance sheet.

(C) Income or earnings. (D) Discounted Cash flow.

20. Which cash flow is accessible for a firm's investors ?

(A) Free cash flow (B) Investing cash.

(C) Intrinsic stock. (D) Extrinsic stock.

C 83840 (Pages : 4) Name.....

Reg. No.....

M.A. (PREVIOUS) DEGREE [CBCSS] EXAMINATION, APRIL/MAY 2020

(PVT/SDE)

M.A. Economics—First Semester

ECO 1C 03—INDIAN ECONOMY : PROBLEMS AND POLICIES

(2019 Admissions)

Time : Three Hours Maximum : 30 Weightage

Part B

SECTION A (MULTIPLE CHOICE QUESTIONS)

Answer **all** *questions.*
Each question carries ¼ weightage.

Choose the correct answer for the following :

1. Economic Planning is a subject :

   (a) In the Union List. (b) In the Concurrent List.

   (c) In the State List. (d) Unspecified in any special list.

2. In India, Inflation is measured by the :

   (a) National Income Deflation.

   (b) Wholesale Price Index number.

   (c) Consumers Price Index for urban non-manual workers.

   (d) Consumers Price Index for agriculture workers.

3. _____ is the current CEO of the NITI Aayog.

   (a) Amitabh Kant. (b) Arvind Subramanyam.

   (c) Rajeev Kumar. (d) Narendra Modi.

4. _____ releases Quick Estimates and Advance Estimates of national income aggregates including savings and investment data annually.

   (a) NSSO. (b) RBI.

   (c) CSO. (d) FICCI.

Turn over

5. Consumer Price Index (CPI) falls in the category of ————————.

(a) Simple Index. (b) Complex Index.

(c) Inflationary Index. (d) Aggregate Index.

6. ———————— gives the final approval to the five year plans of India.

(a) National Development Council.

(b) Ministry of Finance.

(c) Planning Commission.

(d) President of India.

7. Unemployment which occurs when workers move from one job to another is known as ————————.

(a) Cyclical Unemployment. (b) Seasonal Unemployment.

(c) Technological Unemployment. (d) Frictional Unemployment.

8. Inflation brings most benefit to which one of the following ?

(a) Government Pensioners. (b) Savings Bank Account Holders.

(c) Debtors. (d) Creditors.

9. Which one of the following is the task of the Planning Commission ?

(a) Preparation of the Plan. (b) Financing of the Plan.

(c) Implementation of the Plan. (d) All of the above.

10. Grants from the Centre to the State under the recommendations of Finance Commission are known as ————————.

(a) Plan Grants. (b) Development Assistance.

(c) Statutory Grants. (d) Discretionary Grants.

11. The urgent problem which prompted the introduction of New Economic Policy in 1991 was ————————.

(a) High tax rate leading to tax evasion.

(b) Poor performance of public sector.

(c) Foreign exchange crisis

(d) All of these.

12. The main change implemented inIndia's trade policy was ————————.

(a) Quantitative restrictions on import and exports reduced.

(b) System of fixed exchange rate converted into market determined exchange rate.

(c) Use of foreign exchange made more liberal.

(d) All of these.

(12 × ¼ = 3 weightage)

Section B (Short Answer Type)

Answer any **five** *out of eight questions.*
Each question carries 1 *weightage.*

13. Diaspora.

14. Unemployment in India.

15. Core Inflation.

16. Bottom up Planning.

17. PPP.

18. Washington Consensus.

19. WPI.

20. Immigration.

(5 × 1 = 5 weightage)

Section C (Short Essay Type)

Answer any **seven** *out of ten questions.*
Each question carries 2 *weightage.*

21. Techniques of Planning.

22. Industrial Policy reforms.

23. Objectives of Planning.

24. Critically evaluate NITI Aayog and its vision document.

25. Cause of financial crisis in Kerala.

26. Recent initiatives by Indian government for the growth of agriculture sector.

27. Describe the Make in India initiative.

28. List the new initiatives of the Government against Black Money.

29. Health and Education in Kerala.

30. Briefly explain the nature of Monetary Management in India post 1990.

(7 × 2 = 14 weightage)

Section D (Essay Type)

Answer any **two** *out of four questions.*
Each question carries 4 *weightage.*

31. Describe in detail the monetary management in India after the 1990s.

32. Evaluate the five years plans and what lead to their replacement by NITI Aayog.

33. Elaborate on the major challenges faced under decentralization in States.

34. Analyse the status of poverty, unemployment and inequality in India.

(2 × 4 = 8 weightage)

C 83840 (Pages : 4 + 4 = 8) Name.....

Reg. No.....

M.A. (PREVIOUS) DEGREE [CBCSS] EXAMINATION, APRIL/MAY 2020

(PVT/SDE)

M.A. Economics—First Semester

ECO 1C 03—INDIAN ECONOMY : PROBLEMS AND POLICIES

(2019 Admissions)

Part A

	DD	MM	YEAR	
Date of Examination :	☐☐	☐☐	☐☐☐☐	FN/AN

Time : 15 Minutes **Total No. of Questions : 20**

INSTRUCTIONS TO THE CANDIDATE

1. This Question Paper carries Multiple Choice Questions from 1 to 20.
2. Immediately after the commencement of the examination, the candidate should check that the question paper supplied to him/her contains all the 20 questions in serial order.
3. Write the Name, Register Number and the Date of Examination in the space provided.
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5. **Candidate should handover this Question paper to the invigilator after 15 minutes and before receiving the question paper for Part B Examination.**

ECO 1C 03—INDIAN ECONOMY : PROBLEMS AND POLICIES

Part A

Multiple Choice Questions :

1. Take off stage' in an economy means :

   (A) Steady growth begins. (B) Economy is stagnant.

   (C) Economy is about to collapse. (D) All controls are removed.

2. The first attempt to initiate economic planning in India was made by :

   (A) Balwantrai Mehta. (B) Vallabhbhai Patel.

   (C) M. Visvesvaraya. (D) Jawaharlal Nehru.

3. Rolling plan was designed for the period :

   (A) 1978-83. (B) 1980-85.

   (C) 1985-90. (D) 1974-97.

4. Dadabhai Naoroji theorised on the drain of wealth from India in his book :

   (A) Poverty under British Rule in India.

   (B) Poverty in British Rule in India.

   (C) Poverty and Un-British Rule in India.

   (D) Poverty of Economic Drain in British India.

5. The Issue Department of the RBI maintains a ———————— against printing of notes.

   (A) Minimum Reserve System.

   (B) Proportional Reserve System.

   (C) Proportional Gold Reserve System.

   (D) Proportional Foreign Securities Reserve System.

6. Who is the originator of Green Revolution in India ?

   (A) Norman E. Borlaug. (B) M.S. Swaminathan.

   (C) Garry Backer. (D) None of these.

7. As per the CSO classification, which of the following does not fall under industrial sector ?

(A) Electricity. (B) Gas and Water supply.

(C) Transport and Communication. (D) Manufacturing.

8. Which of the following introduced Green Index ?

(A) World Bank's Environmentally and Socially Sustainable Development Division.

(B) United Nations Environment Programme.

(C) United Nations Development Programme.

(D) Kyoto Protocol.

9. Cheap and dear money policy relates to changes in :

(A) Repo rate. (B) Bank rate.

(C) Both repo and reverse repo rate. (D) Both repo and bank rate.

10. Pradhan Mantri Jan-Dhan Yojana' has been launched for :

(A) Providing housing loan to poor people at cheaper interest rates.

(B) Promoting women self-help groups in backward areas.

(C) Promoting financial inclusion in the country.

(D) Providing financial help to the marginalized communities.

11. In India deficit financing is used for raising resources for :

(A) Economic development.

(B) Redemption of public debt.

(C) Adjustment the balance of payments.

(D) Reducing the foreign debt.

12. Which one of the following state introduced 'fat tax' for the first time in India ?

(A) Gujarat. (B) Kerala.

(C) Karnataka. (D) Haryana.

13. Which one of the following industries is not included in the Eight Core Industries ?

(A) Coal. (B) Textiles.

(C) Electricity. (D) Crude oil.

14. Which one of the following institutions acts as the apex regulatory body for food safety in India ?

(A) Agmark and Legal Metrology. (B) Bureau of Indian Standards.

(C) FSSAI. (D) BIS.

15. Which one is the major and immediate reason behind the adoption of new economic policy in India ?

(A) High rate of inflation during 1990s.

(B) Balance of payment crisis of 1990s.

(C) Huge fiscal and deficit during 1990s.

(D) East Asian Economic Crisis.

16. Which segment is contributing largest into the gross savings of the country ?

(A) Household sector. (B) Private corporate sector.

(C) Public sector (D) Foreign sector.

17. GST stands for :

(A) Goods and supply tax. (B) Government sales tax.

(C) Goods and service tax. (D) General sales tax.

18. Land reform is covered under ————————.

(A) Central list. (B) State list.

(C) Concurrent list. (D) None of the above.

19. What are the Pillars of Self Reliant India Movement ?

(A) Infra structure. (B) Economy.

(C) Demography. (D) All the above

20. Till what time Indian Economy want to become a US$5 trillion dollar economy ?

(A) 2022-23. (B) 2024-25.

(C) 2027-28. (D) 2029-30.

C 83839 (Pages : 4) Name.....

Reg. No.....

M.A. (PREVIOUS) DEGREE [CBCSS] EXAMINATION, APRIL/MAY 2020

(PVT/SDE)

M.A. Economics–First Semester

ECO 1C 02—MACRO ECONOMICS : THEORIES AND POLICIES–I

(2019 Admissions)

Time : Three Hours Maximum : 30 Weightage

Part B

SECTION A (MULTIPLE CHOICE QUESTIONS)

Answer **all** *questions.*
Each question carries ¼ weightage.

1. In the Keynesian model, prices are :

   a) Flexible. b) Fixed.

   c) Fixed or only flexible upwards. d) Fixed or only flexible downwards.

2. $C = a + bY$ is a :

   a) Linear proportional consumption function.

   b) Non-linear proportional consumption function.

   c) Non-linear non-proportional consumption function.

   d) Linear non-proportional consumption function.

3. The terms 'inside' money and 'outside' money were introduced by :

   a) Milton Friedman and J. Tobin. b) A. C. Pigou and D. Patinkin.

   c) J. G. Gurley and E. S. Shaw. d) J. R. Hicks and A. Hansen.

4. According to the Neoclassical version of ISLM analysis, the expansion of money supply due to monetary policy would :

   a) Increase real income but the price level remain constant.

   b) Increase both real income and price level.

   c) Decrease real income and increase price level.

   d) Decrease both real income and price level.

5. According to the Keynesian ISLM analysis, fiscal policy is effective, if (A) the more-interest elastic is the demand for money, and (B) the less interest-elastic is the demand for investment :

a) Both (A) and (B) are correct.
b) Neither (A) nor (B) is correct.
c) Only (A) is correct.
d) Only (B) is correct.

6. LM function shift backward of downward to the left, if :

a) Money supply function shift rightward and demand for money function shift leftward.
b) Money supply function shift rightward and demand for money function shift rightward.
c) Money supply function shift leftward and demand for money function shift leftward.
d) Money supply function shift leftward and demand for money function shift rightward.

7. Which of the following statement is correct ?

A) PIH and LCH are based explicitly on inter-temporal utility maximizing behaviour of households.
B) PIH and LCH holds the relationship between consumption and permanent income as proportional.
C) PIH and LCH observed that current income is poor predictor of current consumption.

a) A, B, C are correct.
b) A and B are correct, while C is wrong.
c) A and C are correct, while B is wrong.
d) B and C are correct, while A is wrong.

8. For the purpose of investment,the prospective yield in relation to supply price should at least be :

a) Less.
b) More.
c) Equal.
d) Equal or more.

9. Which of the following was not considered as wealth in Friedman's demand function for money ?

a) Money.
b) Bonds.
c) Human capital.
d) Real estate.

10. The higher the MPC ———— the multiplier and the lower the MPC ———— the multiplier.

a) Higher, Higher.
b) Higher, Lower.
c) Lower, Higher.
d) Lower, Lower.

11. *Ceteris paribus*, the Real GNP increases when there is :

    a) An increase in the price level.

    b) An increase in the output.

    c) An increase in price level and / or output.

    d) All of the above.

12. The relation between MEC and prospective yield is :

    a) Direct. b) Inverse.

    c) Negative. d) None of these.

(12 × ½ = 3 weightage)

Section B (Short Answer Type Questions)

Answer any **five** *questions.*
Each question carries 1 *weightage.*

13. What are the technical attributes of Keynesian consumption function ?

14. State Fisher's equation.

15. Distinguish between MEC and MEI.

16. What is long run Phillips Curve ?

17. Explain elasticity of IS Curve.

18. Write a note on Central Bank autonomy.

19. How does LM curve shifts ?

20. What is meant by Real Balance Effect ?

(5 × 1 = 5 weightage)

Section C (Paragraph Type Questions)

Answer any **seven** *questions.*
Each question carries 2 *weightage.*

21. What is 'Ratchet effect" ? How does it happen ?

22. Examine the consumption puzzle.

23. Distinguish between natural rate of unemployment and NAIRU.

24. State the Okun's law. Explain its implications.

25. Describe the Expectation Augmented Philips Curve.

26. Explain accelerator theory of investment.

27. Analyse the relative effectiveness of monetary policy using ISLM Curve.

28. Explain the phases of trade cycle and growth using multiplier - accelerator interaction model.

29. Explain various types of inflation. Examine causes and consequences of inflation.

30. Explain graphically how exports and imports affects the IS Curve in an open economy.

(7 × 2 = 14 weightage)

Section D (Essay Type Questions)

Answer any **two** *questions.*
Each question carries 4 *weightage.*

31. Describe the Permanent Income Hypothesis. Bring out its improvements over other consumption function theories.

32. Compare and contrast the Keynesian and neoclassical versions of three sector macroeconomic model.

33. What are the objectives of macroeconomic policies ? Discuss them in the context of rules versus discretion.

34. Examine the recent advances in macroeconomics in the analysis of inflation-unemployment trade-off.

(2 × 4 = 8 weightage)

C 83838 (Pages : 4 + 4 = 8) Name.....

Reg. No.....

M.A. (PREVIOUS) DEGREE [CBCSS] EXAMINATION, APRIL/MAY 2020

(PVT/SDE)

M.A. Economics—First Semester

ECO 1C 01—MICRO ECONOMICS : THEORY AND APPLICATIONS—I

(2019 Admissions)

Part A

	DD	MM	YEAR	
Date of Examination :	☐☐	☐☐	☐☐☐☐	FN/AN

Time : 15 Minutes **Total No. of Questions : 20**

INSTRUCTIONS TO THE CANDIDATE

1. This Question Paper carries Multiple Choice Questions from 1 to 20.
2. Immediately after the commencement of the examination, the candidate should check that the question paper supplied to him/her contains all the 20 questions in serial order.
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ECO 1C 01—MICRO ECONOMICS : THEORY AND APPLICATIONS—I

Part A

Multiple Choice Questions :

1. The law of supply states that an increase in the price of a good :
   (A) None of these answers.
   (B) Increases the quantity supplied of that good.
   (C) Decreases the demand for that good.
   (D) Decreases the quantity demanded for that good.
2. If an increase in consumer incomes leads to a decrease in the demand for camping equipment, then camping equipment is :
   (A) A normal good.
   (B) An inferior good.
   (C) A substitute good.
   (D) A complementary good.
3. Which of the following shifts the demand for watches to the right ?
   (A) An increase in the price of watches.
   (B) None of these answers.
   (C) A decrease in the price of watch batteries if watch batteries and watches are complements.
   (D) A decrease in consumer incomes if watches are a normal good.
4. Which of the following defines marginal utility ?
   (A) The change in total utility divided by the price of a product.
   (B) The maximum amount of satisfaction from consuming a product.
   (C) The total satisfaction received from consuming as much of the product that is available for consumption.
   (D) The additional satisfaction received from consuming one more unit of a product.
5. Which best expresses the law of diminishing marginal utility :
   (A) The more consumption of a product, the smaller is the total and marginal utility from the consumption.
   (B) The less consumption of a product, the greater is the total and marginal utility of the consumption.
   (C) The more consumption of a product, the smaller is the marginal utility from consuming an additional unit.
   (D) The more consumption of a product, the smaller is the total and marginal utility from the consumption.
6. Which situation is consistent with the law of diminishing marginal utility ?
   (A) The more cake Henry eats, the more he enjoys another slice.
   (B) The more cake Henry eats, the less he enjoys another slice.
   (C) Henry's marginal utility from eating cake becomes positive after eating three slices.
   (D) Henry's marginal utility from eating cake reaches a maximum when total utility is zero.

7. When marginal utility is decreasing but positive, total utility is :

(A) Increasing at a decreasing rate. (B) Decreasing at a decreasing rate.

(C) Increasing at an increasing rate. (D) Decreasing at an increasing rate.

8. A firm that considers the potential reactions of its competitors when it makes a decision :

(A) Is referred to as a price leader. (B) Is engaged in strategic behaviour.

(C) Is engaged in collusion. (D) Is referred to as a barometric firm.

9. Which one of the following is a part of every game theory model ?

(A) Players. (B) Payoffs.

(C) Probabilities. (D) Strategies.

10. In game theory, a choice that is optimal for a firm no matter what its competitors do is referred to as :

(A) The dominant strategy (B) The game-winning choice.

(C) Super optimal. (D) A gonzo selection.

11. Which of the following describes a Nash equilibrium ?

(A) A firm chooses its dominant strategy, if one exists.

(B) Every competing firm in an industry chooses a strategy that is optimal given the choices of every other firm.

(C) Market price results in neither a surplus nor a shortage.

(D) All firms in an industry are earning zero economic profits.

12. In game theory, a situation in which one firm can gain only what another firm loses is called a :

(A) Non zero-sum game. (B) Prisoners' dilemma.

(C) Zero-sum game. (D) Cartel temptation.

13. Which of the following is a zero-sum game ?

(A) Prisoner' dilemma.

(B) Chess.

(C) A cartel member's decision regarding whether or not to cheat.

(D) All of the above.

14. A plan of action that considers the reactions of rivals is an example of :

(A) Accounting liability. (B) Strategic behaviour.

(C) Accommodating behaviour. (D) Risk management.

15. In game theory, the outcome or consequence of a strategy is referred to as the :

(A) Pay-off. (B) Penalty.

(C) Reward. (D) End-game strategy.

16. A game that involves interrelated decisions that are made over time is a :

(A) Sequential game. (B) Repeated game.

(C) Zero-sum game. (D) Non zero-sum game.

17. The law of diminishing returns only applies in cases where :

(A) There is increasing scarcity of factors of production.

(B) The price of extra units of a factor is increasing.

(C) There is at least one fixed factor of production.

(D) Capital is a variable input.

18. The marginal product of labour curve shows the change in total product resulting from a :

(A) One-unit increase in the quantity of a particular resource used, letting other resources vary.

(B) One-unit increase in the quantity of a particular resource used, holding constant other resources.

(C) Change in the cost of a variable resource.

(D) change in the cost of a fixed resource.

19. When the total product curve is falling, the :

(A) Marginal product of labor is zero.

(B) Marginal product of labor is negative.

(C) Average product of labor is increasing.

(D) Average product of labor muss be negative.

20. When marginal product reaches its maximum, what can be said of total product?

(A) Total product must be at its maximum.

(B) Total product starts to decline even if marginal product is positive.

(C) Total product is increasing if marginal product is still positive.

(D) Total product levels off.

C 83838 (Pages : 4) Name.....

Reg. No.....

M.A. (PREVIOUS) DEGREE [CBCSS] EXAMINATION, APRIL/MAY 2020

(PVT/SDE)

M.A. Economics—First Semester

ECO 1C 01—MICRO ECONOMICS : THEORY AND APPLICATIONS—I

(2019 Admissions)

Time : Three Hours Maximum : 30 Weightage

Part B

SECTION A

Multiple Choice Questions.
Answer **all** *questions.*
Each questions carries ¼ weightage.

1. Which of the following defines marginal utility ?

   (a) The change in total utility divided by the price of a product.

   (b) The maximum amount of satisfaction from consuming a product.

   (c) The total satisfaction received from consuming as much of the product that is available for consumption.

   (d) The additional satisfaction received from consuming one more unit of a product.

2. If price and total revenue move in the same direction, then demand is :

   (a) Elastic. (b) Inelastic.

   (c) Unitary elastic. (d) Perfectly elastic.

3. If consumer income declines, then the demand for :

   (a) The demand for complementary goods will increase.

   (b) The demand for the good will increase.

   (c) The demand for substitute goods will increase.

   (d) The demand for the good will decrease.

4. The increasing popularity of a product or phenomenon encourages more people to follow it is known as :

   (a) Snob effect. (b) Ratchet effect.

   (c) Veblen effect. (d) Bandwagon effect.

Turn over

5. In the Stackelberg model :
   (a) Each firm takes the quantities produced by its competitors as given.
   (b) One firm plays a leadership role and its competitors simply react to the leader quantity.
   (c) Each firm takes the prices charged by its competitors as given.
   (d) Prices are higher and quantities are slightly less if the firms colluded to achieve the monopoly.
6. In a cartel :
   (a) Firms compete each other.
   (b) Price wars are common.
   (c) Firms collude.
   (d) Firms use price to win market share from competitors.
7. What is the defining characteristic of an oligopolistic industry ?
   (a) Large number of firms.
   (b) Price rigidity.
   (c) Mutual interdependence.
   (d) Product homogeneity.
8. Oligopolies can end up looking like competitive markets if the number of firms is :
   (a) Small and they all co-operate.
   (b) Small and they do not co-operate.
   (c) Large and they all co-operate.
   (d) Large and they do not co-operate.
9. A firm that considers potential reactions of its competitors when it makes a decision.
   (a) Is referred to as a price leader.
   (b) Is engaged in strategic behaviour.
   (c) Is engaged in collusion.
   (d) Is referred to as a barometric firm.
10. A strategy that is best regardless of what rival players do is called :
   (a) Nash equilibrium.
   (b) A first mover advantage.
   (c) Tit-for-tat.
   (d) A dominant strategy.

11. A game that involves multiple moves in a series of identical situations is called as :

    (a) Sequential game. (b) Repeated game.

    (c) Zero-sum game (d) non zero-sum game

12. Which one of the following is a part of every game theory ?

    (a) Players. (b) Payoffs.

    (c) Probabilities. (d) Strategies.

(12 × ¼ = 3 weightage)

Section B (Short Answer Type)

Answer any **five** *out of eight questions.*
Each question carries 1 *weightage.*

13. Why are some people risk averse ?
14. What does certainty equivalent mean ?
15. What do you mean by dominant strategy ?
16. Compare short-run production function with long-run production function.
17. Distinguish co-operative game with non-co-operative game.
18. Define non-collusive oligopoly.
19. What is meant by Veblen effect ?
20. What is expected utility ?

(5 × 1 = 5 weightage)

Section C (Paragraph Type)

Answer any **seven** *out of ten questions.*
Each question carries 2 *weightage.*

21. In the Stackelberg model, the firm that sets output first has an advantage. Explain why ?
22. Why does price rigidity occur in oligopolistic markets ? Point out the limitations of kinked demand curve.
23. Briefly explain prisoner's dilemma.
24. What is St. Petersburg paradox ? Explain.
25. Narrate briefly Linear Expenditure System.
26. Explain technological progress and production function.

27. What is N-M Utility Index and point out its assumptions ?

28. What is cartel ? Explain its different types ?

29. Examine the importance of diversification and point out diversifiable and un-diversifiable risks.

30. Discuss the state preference approach to choice under uncertainty.

(7 × 2 = 14 Weightage)

SECTION D (ESSAY TYPE)

Answer any **two** *out of four questions.*
Each question carries 4 *weightage.*

31. Explain what is cost function and point out its importance.

32. Explain various attitudes towards risk based on expected utility theory.

33. Define CES production function. State its properties.

34. Discuss characteristic demand theory.

(2 × 4 = 8 Weightage)

C 83839 (Pages : 4 + 4 = 8) Name.....

Reg. No.....

M.A. (PREVIOUS) DEGREE [CBCSS] EXAMINATION, APRIL/MAY 2020

(PVT/SDE)

M.A. Economics–First Semester

ECO 1C 02—MACRO ECONOMICS : THEORIES AND POLICIES–I

(2019 Admissions)

Part A

	DD	MM	YEAR	
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ECO 1C 02—MACRO ECONOMICS : THEORIES AND POLICIES–I

Part A

Multiple Choice Questions :

1. The most important determinant of consumption and saving is the :

   (A) Price level. (B) Level of income.

   (C) Interest rate. (D) Level of bank credit.

2. Assume the economy's consumption and saving schedules simultaneously shift downward. This must be the result of :

   (A) The expectation of a recession. (B) An increase in disposable income.

   (C) An increase in personal taxes. (D) An increase in household wealth.

3. The investment demand curve suggests :

   (A) That changes in the real interest rate will not affect the amount invested.

   (B) There is a direct relationship between the real rate of interest and the level of investment spending.

   (C) That an increase in business taxes will tend to stimulate investment spending.

   (D) There is an inverse relationship between the real rate of interest and the level of investment spending.

4. Other things equal, if the real interest rate falls and business taxes rise :

   (A) We can be certain that investment will rise.

   (B) Investment will rise until it is equal to saving.

   (C) We can be certain that investment will fall.

   (D) We will be uncertain as to the resulting change in investment.

5. An increase in investment is caused by :

   (A) Lower interest rates.

   (B) Expectations of lower national income.

   (C) A decrease in the marginal propensity to consume.

   (D) An increase in withdrawals.

6. Which type of bank deals with short term credit ?

   (A) Agricultural bank. (B) Industrial bank.

   (C) Commercial bank. (D) None of these.

7. An increase in aggregate demand is more likely to lead to demand pull inflation :

   (A) If aggregate supply is completely elastic.

   (B) If aggregate supply is completely inelastic.

   (C) If aggregate supply is unitary elastic.

   (D) If aggregate supply is moderately elastic.

8. Which of the following phases describes the phase of business cycle that occurs after a trough and before a peak ?

   (A) Lag. (B) Consolidation.

   (C) Expansion. (D) Contraction.

9. Which of the following is an example of fiscal policy ?

   (A) Change in interest rate. (B) Change in tax rate.

   (C) Controlling money supply. (D) Manipulating bank rate.

10. The Cambridge version of the quantity theory of money was developed by :

    (A) Fisher. (B) Alfred Marshall.

    (C) Pigou. (D) Keynes.

11. Which one of the following will cause a movement up along an economy's saving schedule ?

    (A) An increase in interest rates. (B) An increase in household borrowing.

    (C) An increase in disposable income. (D) An increase in stock prices.

12. A tax increase shifts the IS curve to the :

    (A) Left causing output and interest rates to fall.

    (B) Left, causing output and interest rates to increase.

    (C) Right, causing output and interest rates to fall.

    (D) Right, causing output and interest rates to rise.

    (E) Left, causing output to fall and interest rates to increase.

13. Factors that cause the IS curve to shift include :

    (A) Changes in autonomous consumer spending.

    (B) Changes in government spending.

    (C) Changes in investment spending related to a change in the interest rate.

    (D) Only (a) and (b) of the above.

14. In the long-run ISLM model, the long-run effect of a cut in government spending is to :

(A) Increase real output and the interest rate.

(B) Increase real output and not affect the interest rate.

(C) Not affect real output and increase the interest rate.

(D) Not affect real output and reduce the interest rate.

(E) Not affect either real output or the interest rate.

15. In the long-run ISLM model, the long-run effect of a tax cut is to :

(A) Increase real output and the interest rate.

(B) Increase real output and not affect the interest rate.

(C) Not affect real output and increase the interest rate.

(D) Not affect real output and reduce the interest rate.

(E) Not affect either real output or the interest rate.

16. In the long-run ISLM model, the long-run effect of an autonomous increase in investment is to :

(A) Increase real output and the interest rate.

(B) Increase real output and not affect the interest rate.

(C) Not affect real output and increase the interest rate.

(D) Not affect real output and reduce the interest rate.

(E) Not affect either real output or the interest rate.

17. Who invented the General Equilibrium analysis ?

(A) L. Walras. (B) W. Leontief.

(C) J.M. Keynes. (D) None of these.

18. Market does not clear is a proposition of :

(A) Neoclassical theory. (B) Keynesian Economics.

(C) Monetarism. (D) Rational expectations.

19. The interest rate paid on bonds is known as :

(A) Call rate. (B) Coupon rate.

(C) Repo rate. (D) Bank rate.

20. Those inflows of money to the government against which a liability of repayment devolves upon the government, is known as :

(A) Revenue receipts. (B) Capital receipts.

(C) Revenue expenditure. (D) Capital expenditure.