

TB213590V

Reg. No : .....

Name : .....

**BMS DEGREE (C.B.C.S) EXAMINATION, NOVEMBER 2022**

(2021 Admissions Regular,2020 Admissions Supplementary/Improvement,2019 & 2018 Admissions Supplementary)

**SEMESTER III - COMPLEMENTARY COURSE 1 ( BACHELOR OF MANAGEMENT STUDIES ( INTERNATIONAL BUSINESS ) )**

**MS3C01B18 - APPLIED MACRO ECONOMICS**

**Time : 3 Hours**

**Maximum Marks : 80**

**Part A**

**I. Answer any Ten questions. Each question carries 2 marks**

**(10x2=20)**

1. Describe the macroeconomic concept of Inflation?
2. Based on the classical macroeconomic study, discuss briefly any two reasons for the downward-sloping Aggregate Demand curve.
3. Share your inferences on the Keynes's Aggregate Supply function (curve).
4. Write a note on Budget. Define the three types of Budget.
5. List the factors that impact the short-run AS curve.
6. List the various components in measuring Money Supply.
7. Explain the strategies to overcome the financial crises of an economy.
8. 'Exchange depreciation is an important monetary measure in BoP'. Explain the statement.
9. List any four components of Payment/Debit side of the current account in Balance of Payments.
10. Explain the strategies to control business cycle fluctuations through international measures. Explain.
11. Explain the strategy to increase investment in the economy through foreign trade.
12. Define Foreign Trade. Why is it crucial for a modern economy to have positive foreign trade relations?

**Part B**

**II. Answer any Six questions. Each question carries 5 marks**

**(6x5=30)**

13. Describe government purchases.
14. Describe briefly the various components of the Expenditure approach of calculating National Income.
15. Explain the importance of the term "Animal Spirits" in Keynesian economics.
16. Define the following types of Public Debt: Internal and External Debt, Short term and Long term Loans, Funded and Unfunded Debt and Voluntary and Compulsory Loans.
17. List the various leakages in the process of Multiplier.
18. Compare/contrast the concepts of Short-run and Long-run Phillips curve.
19. Differentiate between Balance of Payment Surplus and Deficit.
20. Discuss how the Gross Barter Trade of Terms determined. Explain with the help of its formula.
21. Explain Terms of Trade. How do you infer on its working mechanism.

**Part C**

**III. Answer any Two questions. Each question carries 15 marks**

**(2x15=30)**

22. Write a note on (a) monetary measures, (b) non-monetary measures, (c) Deficit financing.
23. Define Public Debt. Share your inferences with the help of various types of Public Debt. How does Deficit Financing help in combating public debt?

24. Write a note on Overall BoP. State and in detail explain the various components of the formula used to calculate the overall BoP.
25. Explain NBTOT and GBTOT. Compare and contrast these concepts of Terms of Trade with the help of formulae.