INTEGRATED M.A . PROGRAMME IN SOCIAL SCIENCES - ECONOMICS EXAMINATION, NOVEMBER 2022
(2021 Admission Regular)
SEMESTER III - CORE COURSE (ECONOMICS)
EC03C10IM20 - MACRO ECONOMICS – I

Time : 3 Hours   **Maximum Weight : 30**

Part A

I. Answer any Eight questions. Each question carries 1 weight   **(8x1=8)**

1.   What is Exogeneous variables?

2.   Definition of Macroeconomics.

3.   Define GDP.

4.   Define NDP.

5.   Define Full employment equilibrium.

6.   Explain Money Illusion.

7.   Explain Keynesian Cross.

8.   Define Aggregate Demand.

9.   Define Accelerator.

10. Define Investment.

Part B

II. Answer any Six questions. Each question carries 2 weight   **(6x2=12)**

11. State the differences between stock and flow variables.

12. Explain the circular flow of economic activity in a two sector economy.

13. Explain the different approaches to measuring GDP.

14. Explain in detail the assumptions of classical macroeconomics.

15. Explain Pigou Effect.

16. Given the consumption function C=100+0.75Y where C-consumption expenditure Y-National Income Investment
     expenditure=1000 Calculate i)Equilibrium level of income ii)Consumption expenditure at equilibrium level of income

17. Critically examine Permanent Income Hypothesis

18. Critically examine Relative Income Hypothesis.

Part C

III. Answer any Two questions. Each question carries 5 weight   **(2x5=10)**

19. Explain the methods of measuring national Income in India and what are the difficulties in measuring national
     Income in India.

20. Explain the important assumptions of classical macroeconomics in detail.

21. Explain the Keynesian theory of income determination under two sector economy.

22. Critically evaluate Life Cycle Income Hypothesis.