

TB214210W

Reg. No :

Name :

B.A. DEGREE (C.B.C.S.) EXAMINATION, MARCH 2023

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

SEMESTER IV - CORE COURSE (ECONOMICS)

EC4B05B18 - MACRO ECONOMICS – I

Time : 3 Hours

Maximum Marks : 80

Part A

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

(10x2=20)

1. What is paradox of thrift?
2. What is Measure of Economic Welfare?
3. Write Pigou's equation of quantity theory of money.
4. What are loanable funds?
5. Define Consumption function.
6. Define APC, MPC, APS and MPS.
7. Define MEC.
8. What is present value?
9. What do you mean by induced investment? Discuss the determinants of induced investment.
10. Define IS curve.
11. What are the factors determining the slope of LM curve?
12. What is balanced budget multiplier?

Part B

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

(6x5=30)

13. Explain social accounting method.
14. Distinguish between potential and actual GNP.
15. Diagrammatically explain classical dichotomy.
16. What are the implications of Say's law of market?
17. Describe the Principle of effective demand.
18. How MEC determines investment?
19. Explain balanced budget multiplier.
20. How general equilibrium of commodity market and money market determines simultaneously?
21. Discuss the concept of multiplier and its role in the theory of income and employment.

Part C

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

(2x15=30)

22. Discuss income method of measuring NI and its precautions.
23. How employment and output determined according to Classical theory? Discuss major criticism of the theory.
24. Write a note on Keynesian Revolution and how Keynes criticise classical theory?
25. How equilibrium level of income and employment is determined in Keynesian two sector model.