

PSG COLLEGE OF ARTS & SCIENCE
(AUTONOMOUS)
BA DEGREE EXAMINATION MAY 2018
(First Semester)

Branch - ECONOMICS

MACRO ECONOMICS

Time : Three Hours

Maximum : 75 Marks

SECTION-A (20 Marks)

Answer **ALL** questions

ALL questions carry **EQUAL** marks (10x2 = 20)

- 1 Define National Income.
- 2 State any two uses of National Income Analysis.
- 3 Define Aggregate Supply .
- 4 What is meant by Effective Demand?
- 5 Write the meaning of APC.
- 6 Mention the explanation of Relative Income Hypothesis.
- 7 What is Multiplier?
- 8 What is Accelerator?
- 9 Expand ISLM.
- 10 Define Trade Cycle.

SECTION - B (25 Marks!)

Answer **ALL** Questions

ALL Questions Carry **EQUAL** Marks (5x5 = 25)

- 11 a What are the scope of Macro Economics.
OR
b Mention the methods of estimating National Income.
- 12 a Note down the assumptions of Say's Law of Market.
OR
b Illustrate with Keynesian theory of employment and output.
- 13 a Write down the measures of Consumption function.
OR
b Mention the factors affecting savings.
- 14 a Point out the Types of Investment.
OR
b Mention the Assumptions of Accelerator.
- 15 a What are the causes of Trade Cycle?
OR
b What are the phases of Trade Cycle?

SECTION - C (30 Marks)

Answer any **THREE** Questions

ALL Questions Carry **EQUAL** Marks (3 x 10 = 30)

- 16 Distinguish between the Micro and Macro Economics.
- 17 Explain the application of Keynesian theory in developing countries.
- 18 Enumerate the factors affecting Consumption function.
- 19 Explain the types of Investment.
- 20 Describe the Non-Monetary theory of Trade Cycle.