

BA DEGREE EXAMINATION DECEMBER 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 (10 x 2 = 20)

- 1 Define the term Flow.
- 2 What is Gross Domestic Product?
- 3 State Say's Law of Market.
- 4 What is under employment equilibrium?
- 5 State the psychological law of consumption.
- 6 What is Ratchet effect?
- 7 Define Marginal efficiency of capital.
- 8 What is super multiplier?
- 9 What is IS-LM function?
- 10 What is Trade Cycle?

SECTION - B (25 Marks)

Answer ALL Questions

ALL Questions Carry EQUAL Marks (5 x 5 = 25)

- 11 a Define Macro Economics. In what way does it differ from Micro economics?
OR
b Examine the uses of National income analysis.
- 12 a Give brief description of the contents of classical economics.
OR
b Examine the determination of effective demand.
- 13 a Write a short note on: i) Average propensity to consume
ii) Marginal Propensity to consume.
OR
b Briefly examine Duesenberry Hypothesis.
- 14 a What is Investment? Examine its different types.
OR
b Examine the limitations of the principle of Acceleration.
- 15 a Write a short note on general equilibrium.
OR
b Briefly explain the different phases of trade cycle.

SECTION - C (30 Marks)

Answer any THREE Questions

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

- 16 Discuss the important methods of measuring National Income.
- 17 Explain Keynesian theory of employment.
- 18 Analyse the factors influencing consumption function.
- 19 Write an essay on Marginal efficiency of capital.
- 20 Explain Hawtrey's monetary theory of trade cycle.