PSG COLLEGE OF ARTS & SCIENCE
(AUTONOMOUS)

BA DEGREE EXAMINATION MAY 2024
(Third Semester)

Branch – **ECONOMICS**

MACRO ECONOMICS

Time: Three Hours   Maximum: 50 Marks

SECTION-A (5 Marks)
Answer **ALL** questions
ALL questions carry **EQUAL** marks   (5 x 1 = 5)

1) Which of the following is not included in National Income?
   a) Payments received by workers in kind
   b) Self – consumption by producers
   c) Interest on Public debt
   d) Production of Plants and Machines

2) J. B. Say is associated with
   a) Consumption Function   b) Law of market
   c) Effective demand   d) Full employment

3) Deusenberry's theory of consumption functions is termed as
   a) Absolute Income hypothesis   b) Relative Income hypothesis
   c) Permanent Income hypothesis   d) Life cycle hypothesis

4) The ratio of change in saving to change in income is known as
   a) Saving Function   b) APS   c) MPS   d) MEC

5) The total number of Phases of a business cycle is
   a) 4   b) 3   c) 5   d) 6

SECTION - B (15 Marks)
Answer **ALL** Questions
ALL Questions Carry **EQUAL** Marks   (5 x 3 = 15)

6) a) Distinguish between Micro and Macro Economics.
            (OR)
   b) State the Importance of National Income Analysis.

7) a) Explain the say's Law of Market.
            (OR)
   b) Examine the Pigon's Theory on wages and Employment.

8) a) Explain the relationship between APC and MPC.
            (OR)
   b) State the factors influencing consumption function.

9) a) Bring out the types of Investment.
            (OR)
   b) Analyse the Marginal Efficiency of capital.

10) a) Narrate the different Phases of Trade cycle.
            (OR)
    b) Summarise the causes of Trade cycle.

SECTION -C (30 Marks)
Answer **ALL** questions
ALL questions carry **EQUAL** Marks   (5 x 6 = 30)

11) a)   Analyse the nature and scope of Macro Economics.
                    (OR)
    b)   Examine the various methods of measuring National Income.

12) a)   Enumerate the keynesian theory of Employment and output.
                    (OR)
    b)   Analyse the application of Keynesian Theory in Developing Countries.

13) a)   Elucidate the keynesian Law of Consumption.
                    (OR)
    b)   Discuss the Absolute and Relative Income hypothesis.

14) a)   Enumerate the Lekages of Multiplies.
                    (OR)
    b)   Outline the working of Accelerator.

15) a)   Examine the Hayek's Theory of Trade cycle.
                    (OR)
    b)   Discuss the Keynes Theory of Trade cycle.

Z-Z-Z   END