PSG COLLEGE OF ARTS & SCIENCE
(AUTONOMOUS)

BA DEGREE EXAMINATION DECEMBER 2019
(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 Macro Economics.
2   What is meant by Stock Variable?
3   What is Aggregate supply function?
4   State any two assumptions of Say's Law of Market.
5   What is meant by Consumption function?
6   Define Savings function.
7   What is Investment?
8   State any two limitations of Accelerator.
9   What is Trade cycle?
10   What is ISLM function?

SECTION - B (25 Marks)
Answer **ALL** Questions
ALL Questions Carry **EQUAL** Marks (5 x 5 = 25)

11 a   Elaborate the concepts of GDP, GNP and NNP.
                              OR
   b Explain the causes of National Income Analysis.

12 a Give a brief summary of Say's Kaw of Market.
                              OR
   b   Explain the application of Keynesian Theory in Developing Countries.

13 a Examine the Keynes Income Psychological Law of Consumption.
                              OR
   b Describe Relative Income Hypothesis.

14 a Elaborate the interaction of Multiplier and Accelerator.
                              OR
   b Describe Marginal Efficiency of Capital.

15 a Describe the causes of Trade cycle.
                              OR
   b Discuss Hawtrey's Monetary Theory.

SECTION - C (30 Marks)
Answer any **THREE** Questions
ALL Questions Carry **EQUAL** Marks (3 x 10 = 30)

16   Describe the methods of Estimating National Income.

17   Elaborate the Keynesian theory of Employment and Output.

18   Discuss the relationship between savings and investment.

19   Explain the factors that affecting investment.

20   Discuss the theories of Trade Cycle.