

(6 pages)

Reg. No. :

Code No. : 10401 E Sub. Code : AMEC 51

B.A. (CBCS) DEGREE EXAMINATION,
NOVEMBER 2023.

Fifth Semester

Economics – Core

MACRO ECONOMICS – I

(For those who joined in July 2020 only)

Time : Three hours

Maximum : 75 marks

PART A — (10 × 1 = 10 marks)

Answer ALL questions.

Choose the correct answer.

1. The term Macro Economics was first used in economics by
(a) Keynes (b) R.F. Khan
(c) Ragnar Frisch (d) Marshall
2. The father of macro economics is _____
(a) Karl Marx (b) Adam Smith
(c) Marshall (d) Keynes

7. The point where aggregate demand function equals the aggregate supply function is known as
(a) Consumption function
(b) Demand function
(c) Investment function
(d) Effective demand
8. The book "General theory of employment, interest and money" was written by
(a) J.M. Keynes (b) Adam Smith
(c) A.C. Pigou (d) David Ricardo
9. The formula for calculating average propensity to consume is equal to
(a) $\frac{C}{Y}$ (b) $\frac{\Delta C}{\Delta Y}$
(c) $\frac{\Delta I}{\Delta Y}$ (d) $\frac{\Delta I}{\Delta S}$
10. Psychological law of consumption was given by
(a) Alfred Marshall (b) J.S. Mill
(c) Keynes (d) A.C. Pigou

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3. GNP – Depreciation is _____
(a) GNP at Market price
(b) NNP
(c) Per capital income
(d) Personal income
4. National Income divided by total population of the country is called
(a) Personal income (b) Per capital income
(c) Disposable income (d) None of the above
5. Unemployment due to seasonal variation is called _____
(a) Full employment
(b) Seasonal unemployment
(c) Cyclical unemployment
(d) Voluntary unemployment
6. Which one of the policy is used for achieving full employment?
(a) Fiscal policy (b) Monetary policy
(c) Income policy (d) All of the above

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PART B — (5 × 5 = 25 marks)

Answer ALL questions, choosing either (a) or (b).

Each answer should not exceed 250 words.

11. (a) Discuss the types of variables.
Or
(b) Write the scope of Macro Economics.
12. (a) Define the terms GNP at market price and GNP at factor cost.
Or
(b) What do you mean green GNP?
13. (a) Analyze Pigou effect.
Or
(b) Write any three types of unemployment.
14. (a) List out the assumptions of Keynesian theory.
Or
(b) What do you mean by aggregate supply function?
15. (a) Write a note on APC and MPC.
Or
(b) Explain the absolute income hypothesis.

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[P.T.O.]

PART C — (5 × 8 = 40 marks)

Answer ALL questions, choosing either (a) or (b).

Each answer should not exceed 600 words.

16. (a) Find out the difference between micro economic and Macro Economics.

Or

- (b) Discuss the limitations of Macro Economics.

17. (a) Explain the methods of measuring national income.

Or

- (b) Explain the uses of national income accounts.

18. (a) Describe the classical theory of employment.

Or

- (b) Write an essay on Say's law of Market.

19. (a) Write a note on the background of Keynesian revolution.

Or

- (b) Discuss the method of determination of effective demand.

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20. (a) Explain the major determinants of consumption function.

Or

- (b) Explain the permanent income hypothesis.

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