

QP CODE: 21100904



Reg No : .....

Name : .....

**B.A DEGREE (CBCS) EXAMINATION, MARCH 2021**

**Fourth Semester**

B.A Economics Model I

**Core Course - EC4CRT05 - MACRO ECONOMICS- I**

2017 Admission onwards

47F5AA76

Time: 3 Hours

Max. Marks : 80

**Part A**

*Answer any **ten** questions.*

*Each question carries **2** marks.*

1. Define Microeconomics.
2. What are intermediate goods?
3. What is double counting?
4. Explain Say's law of market.
5. Define full employment.
6. Explain the money sector in the classical system.
7. What is Propensity to consume?
8. Autonomous consumption.
9. What is Propensity to Save?
10. What is Marginal Efficiency of Capital (MEC)?
11. What is under employment equilibrium?
12. If the value of MPC is 0.8 . Find out the value of multiplier.

(10×2=20)

**Part B**

*Answer any **six** questions.*

*Each question carries **5** marks.*

13. Distinguish between gross investment and net investment.
14. Examine the concept of Net Economic Welfare.





15. Explain wage price flexibility in classical system.
16. Explain Classical theory of interest.
17. Discuss the objective factors determining consumption
18. What are the factors determining investment?
19. Explain how Effective Demand is determined in an economy?
20. Explain with the help of LM curve the Money Market equilibrium.
21. Explain product market equilibrium.

(6×5=30)

### **Part C**

*Answer any **two** questions.*

*Each question carries **15** marks.*

22. Explain National income estimation in India.
23. Explain cash transaction and cash balance version of quantity theory of money.
24. Explain the main features of Keynesian Economics.
25. How do the presence of government sector affect the output and income determination in an economy. Explain using Keynesian framework.

(2×15=30)

