

QP CODE: 20101302



Reg No :

Name :

BA DEGREE (CBCS) EXAMINATION, NOVEMBER 2020

Second Semester

Core Course - EC2CRT04 - MACRO ECONOMICS I

(Common for B.A Economics Model II Foreign Trade, B.A Economics Model II Insurance)

2017 ADMISSION ONWARDS

A61E9242

Time: 3 Hours

Max. Marks : 80

Part A

*Answer any **ten** questions.*

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

1. $GDP_{fc} + \text{Net indirect tax} =$
2. Define net indirect tax.
3. What is double counting?
4. Explain Say's law of market.
5. What is Marginal Propensity to Consume.
6. Distinguish between APS and MPS.
7. What is investment?
8. What are the two factors determining Marginal Efficiency of Capital?
9. What is Keynesian cross
10. Calculate multiplier when the value of MPC is 0.75.
11. Define inflationary gap.
12. What is money market equilibrium?

(10×2=20)

Part B

*Answer any **six** questions.*

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

13. What are the differences between Macroeconomics and Microeconomics?
14. Distinguish between Macro statics and Macro dynamics.





15. Explain the concept of circular flow of economic activity.
16. Examine the concept of Net Economic Welfare.
17. Explain Classical dichotomy.
18. Explain Pigou effect.
19. Discuss the subjective factors determining consumption
20. What is Kenesian cross?
21. Explain the determination of income and output in a 4 sector Keynesian model.

(6×5=30)

Part C

*Answer any **two** questions.*

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

22. Explain National Income Estimation in India.
23. Explain the Classical theory of employment and output determination.
24. Explain the main features of Keynesian Economics.
25. How do the presence of foreign sector affect the output and income determination in an economy?
Explain using Keynesian framework.

(2×15=30)

