K21U 2009

III Semester B.A. Degree (CBCSS – Sup./Imp.) Examination, November 2021
(2015-18 Admission)
CORE COURSE IN ECONOMICS /DEVELOPMENT ECONOMICS
3B03ECO – Macro Economic Analysis – I

Time : 3 Hours

Max. Marks : 40

PART – A
(Answer **all** questions. **Each** carries **one** mark.)

1. Define Macro Economics.

2. What is meant by classical Dichotomy ?

3. What is Paradox of Thrift ?

4. Describe the Consumption function.

(4×1=4)

PART – B
(Answer **any seven** questions. **Each** carries **two** marks.)

5. What is meant by Neutrality of Money ?

6. Describe the Fisher's Equation of Exchange.

7. Discuss the product method of measuring National Income.

8. What are features of Keynesian labour market ?

9. What is meant by self-regulating mechanism ?

10. What is effective demand ?

11. Distinguish between Permanent income and Transitory income.

12. Describe the investment multiplier.

13. What are the tools of Monetary policy ?

14. What is meant by Interest Elasticity of Investment ? (7×2=14)

PART – C
(Answer **any four** questions. **Each** carries **three** marks.)

15. Explain the Circular and cyclical trend of Macroeconomics.

16. Discuss the important elements of the classical model.

17. Examine important determinants of investment in the Keynesian theory.

18. Discuss the Keynesian theory of Demand for money.

19. Explain the life cycle hypothesis.

20. What is meant by the balanced budget multiplier ? Explain. (4×3=12)

PART – D
(Answer **any two** questions. **Each** carries **five** marks.)

21. Explain the development and importance of Macroeconomics.

22. How does Keynes criticise the Classical model ? Explain.

23. Critically examine the relative income hypothesis.

24. What is meant by Investment function ? Explain the types and volatility of investment. (2×5=10)