(6 pages)

Reg. No. : ....

Code No. : 22768 E   Sub. Code : JMEC 51

B.A. (CBCS) DEGREE EXAMINATION,
NOVEMBER 2018.

Fifth Semester

Economics — Main

MACRO ECONOMICS — I

(For those who joined in July 2016 onwards)

Time : Three hours   Maximum : 75 marks

PART A — (10 × 1 = 10 marks)

Answer ALL questions.

Choose the correct answer :

1. The Word 'Macro' is derived from ———— language.
   (a) French   (b) English
   (c) Greek   (d) Spanish

2. The foundation of modern macro economics was laid down by
   (a) J.M. Keynes   (b) Adam Smith
   (c) Hicks   (d) Ricardo

3. GDP means
   (a) Gross Domestic Product
   (b) Gross Domestic Price
   (c) Gross Direct Product
   (d) Good Domestic Product

4. Which of the following is not included in the measurement of National Income?
   (a) Salary   (b) Wages
   (c) Mother's service (d) Farmer's income

5. Agricultural work is a kind of ———— unemployment.
   (a) Seasonal   (b) Technological
   (c) Frictional   (d) Cyclical

6. 'Supply creates its own demand' concept was given by
   (a) Adam Smith
   (b) Ricardo
   (c) Keynes
   (d) J.B. Say

7. The ratio between total consumption (C) and total income (Y) is termed as

   (a) MPC   (b) APC

   (c) MC   (d) AC

8. In equation $C = f(y)$, y is

   (a) savings   (b) investment

   (c) income   (d) expenditure

9. The symbol of multiplies is

   (a) M   (b) K

   (c) L   (d) B

10. The formula for calculating accelerator co-efficient is

    (a) $a = \dfrac{\Delta I}{\Delta C}$ (b) $a = \dfrac{\Delta C}{\Delta I}$

    (c) $a = \dfrac{C}{I}$ (d) $a = \Delta C - \Delta I$

PART B — (5 × 5 = 25 marks)

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

Each answer should not exceed 250 words.

11. (a) What is Macro Economics? Stat its nature.

   Or

   (b) Distinguish between Macro Economics and Micro Economics.

12. (a) Write a note on GNP and GDP.

   Or

   (b) What are the methods of measuring National Income in India?

13. (a) What is disguised unemployment? State its nature.

   Or

   (b) Illustrate the Say's law of market and its implications.

14. (a) Draw the factors determining consumption function.

   Or

   (b) Write about marginal property to consume.

Nesamony Memorial Christian College, Marthandam

15. (a) Define multiplier. How do you measure it?

Or

(b) Illustrate the uses of accelerator. Concept.

PART C — (5 × 8 = 40 marks)

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

Each answer should not exceed 600 words.

16. (a) Enumerate the importance of Macro Economics.

Or

(b) Explain the limitations of Macro Economic analysis.

17. (a) Describe the concepts of National Income.

Or

(b) Give a detailed account of problems in measuring National Income in India.

18. (a) Discuss the various types of unemployment.

Or

(b) Explain the importance of Keynesian theory of employment.

19. (a) Explain the relationship between consumption and income.

Or

(b) Elaborate Keyne's psychological law of consumption.

20. (a) Examine the relationship between multipliers and marginal propensity to consume.

Or

(b) Evaluate the importance of accelerator principle.

————————