



21102884

QP CODE: 21102884

Reg No :

Name :

**B.A DEGREE (CBCS) REGULAR / SUPPLEMENTARY EXAMINATIONS,
OCTOBER 2021**

Fourth Semester

B.A Economics Model I

Core Course - EC4CRT05 - MACRO ECONOMICS- I

Regular Candidates : 2019 Admission only

Private Candidates : 2017 Admission Onwards

E3D6497A

Time: 3 Hours

Max. Marks : 80

Instructions to Private candidates only: This question paper contains **two sections**. Answer **SECTION I** questions in the answer-book provided. **SECTION II**, Internal examination questions must be answered in the question paper itself. Follow the detailed instructions given under **SECTION II**

SECTION I

Part A

Answer any **ten** questions.

Each question carries **2** marks.

1. National income
2. What is social accounting?
3. Explain the measure of Green Accounting.
4. What is meant by Net Economic Welfare?
5. Cash transactions version of quantity theory.
6. Estimate mps if $mpc = 0.9$
7. What is investment?
8. Explain two important determinants of investment.
9. Keynesian cross.
10. What are the conditions for Keynesian equilibrium income and output?





11. Investment multiplier.
12. What is balanced budget multiplier?

(10×2=20)

Part B

Answer any **six** questions.

Each question carries **5** marks.

13. Bring out the important differences between Microeconomics and Macroeconomics.
14. Explain the circular flow of economic activity in a two sector economy.
15. Explain with the help of a diagram the circular flow of economic activity within household sector and business sector.
16. What is the assumption of wage price flexibility?
17. Explain the classical theory of interest.
18. Keynes' criticism of classical system.
19. Under employment equilibrium.
20. What are the important factors affecting consumption?
21. What are the determinants of MEC?

(6×5=30)

Part C

Answer any **two** questions.

Each question carries **15** marks.

22. Explain the income method of estimating national income.
23. What are the fundamental assumptions of the classical system?
24. Explain the Keynesian psychological law of consumption.
25. Explain the two sector Keynesian model of income determination.

(2×15=30)