B.A DEGREE (CBCS)) REGULAR/ IMPROVEMENT/ REAPPEARANCE / MERCY CHANCE EXAMINATIONS, FEBRUARY 2025

Fourth Semester

B.A Economics Model I

Core Course - EC4CRT05 - MACRO ECONOMICS- I

2017 Admission Onwards

D4AC583A

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

Part A

*Answer any **ten** questions.*

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

1. Inventories.

2. What are the difficulties in the measurement of national income?

3. Explain the social accounting method in national income estimation.

4. What is meant by green accounting?

5. Explain Classical dichotomy.

6. Explain Pigou effect.

7. What is Average Propensity to Consume?

8. DIstinguish between autonomous investment and induced investment.

9. What is MEC?

10. Calculate change in income when initial increase in investment is Rs.100crs and MPC is 0.75

11. What is balanced budget multiplier?

12. What is IS Curve?

<div align="right">(10×2=20)</div>

Part B

Answer any six questions.

Each question carries 5 marks.

13. Distinguish between the important characteristic features of Microeconomics and Macroeconomics

14. Explain the concept of circular flow of economic activity.

15. Explain inventory investment

16. How is the rate of interest determined in the classical system?

17. Explain cash transactions version of quantity theory.

18. Distinguish between APS and MPS.

19. What is effective demand?

20. Explain with the help of IS curve the Goods Market equilibrium.

21. Explain investment multiplier.

<div align="right">(6×5=30)</div>

Part C

Answer any two questions.

Each question carries 15 marks.

22. Explain the expenditure method og measuring national income.

23. What are the fundamental assumptions of Classical theory?

24. Explain the Keynesian psychological law of consumption.

25. Explain the simple model of keynesian income determination.

<div align="right">(2×15=30)</div>