



K16U 2013

Reg. No. : .....

Name : .....

**III Semester B.A. Degree (CBCSS – Reg./Supple./Imp.)**  
**Examination, November 2016**  
**(2014 Admn. Onwards)**  
**CORE COURSE IN ECONOMICS/DEVELOPMENT ECONOMICS**  
**3B03 ECO : Macro Economic Analysis – I**

Time : 3 Hours

Max. Marks : 40

**PART – A**

Answer **all** questions. **Each** carries **1** mark.

1. What is Macroeconomics ?
2. Define multiplier.
3. What is Involuntary unemployment ?
4. What is precautionary motive ? (4×1=4)

**PART – B**

Answer **any 7** questions. **Each** carries **2** marks.

5. Describe Liquidity Preference Theory.
6. Distinguish Aggregate demand and Aggregate supply.
7. Explain Keynes psychological law of consumption.
8. Explain objectives of monetary policy.
9. What is balanced budget ?
10. Explain national income and economic welfare.
11. What is Effective Demand ?
12. Explain the Autonomous and induced investment.
13. What is absolute income hypothesis ?
14. What is Super-Multiplier ? (7×2=14)

P.T.O.



PART – C

Answer **any 4** questions. **Each** carries **3** marks.

- 15. Explain the evaluation of Macroeconomics.
- 16. Explain role of government expenditure.
- 17. Explain balanced and unbalanced Budget and Multiplier effect.
- 18. Explain circular flow of income and expenditure.
- 19. Explain Keynes attack on Classicalism.
- 20. Explain the relevance of Keynesian policy measures. (4×3=12)

PART – D

Answer **any 2** questions. **Each** carries **5** marks.

- 21. Explain the classical theory of output and employment.
- 22. Explain the importance and limitations of macroeconomics.
- 23. Explain theories of consumption function.
- 24. Explain the theories of interest. (2×5=10)