



Reg. No. :

Name :

Third Semester B.A. Degree (CBCSS – Supplementary)
Examination, November 2022
(2016 – 18 Admissions)
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 **one** mark.

1. Define Involuntary Unemployment.
2. What is meant by Economic Stability ?
3. Describe the Laissez faire policy.
4. What is Ratchet effect ? (4×1=4)

PART – B

Answer **any seven** questions. **Each** carries **two** marks.

5. Distinguish between Stock and Flow variables.
6. What is a macro economic model ?
7. Describe the absolute income hypothesis.
8. Discuss the Quantity theory of money.
9. What is meant by inflationary gap ?
10. Discuss the Wage price flexibility.
11. Describe the underemployment equilibrium.

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12. What are determinants of effective demand ?
13. What is meant by Interest elasticity of Demand for money ?
14. Describe important tools of Fiscal policy. (7×2=14)

PART – C

Answer **any four** questions. **Each** carries **three** marks

15. Distinguish between micro and macro economics with examples.
16. Examine the methods of measuring national income.
17. Discuss the Keynesian and classical interpretations of Saving Investment equality.
18. Explain the permanent income hypothesis.
19. Examine the relevance of Keynesian policy measures in a period of recession.
20. Discuss the balanced budget multiplier in a closed economy. (4×3=12)

PART – D

Answer **any two** questions. **Each** carries **five** marks.

21. Explain the nature and scope of macro economics.
22. Critically explain the classical model of income and output determination.
23. What is meant by consumption function ? Explain the determinants of consumption.
24. Explain the significance and determinants of Keynes concept of the investment multiplier. (2×5=10)