



K23U 2214

Reg. No. :

Name :

V Semester B.A. Degree (C.B.C.S.S. – O.B.E. – Regular/Supplementary/
Improvement) Examination, November 2023
(2019-2021 Admissions)

CORE COURSE IN ECONOMICS/DEVELOPMENT ECONOMICS
5B09ECO/DEVECO : Macro Economic Analysis – I

Time : 3 Hours

Max. Marks : 40

PART – A

Very short answer type questions. Answer **all** questions.

1. What is meant by the Great Depression ?
2. Define classical dichotomy.
3. Describe the real theory of interest.
4. What are open market operations ?
5. Define the psychological law of consumption.
6. What is Ratchet effect ?

(1×6=6)

PART – B

Short answer type questions. Answer **any six** questions.

7. Distinguish between endogenous and exogeneous variable.
8. What are features of Keynesian labour market ?
9. Describe the determinants of effective demand.
10. Discuss the wage price flexibility.
11. Discuss the objectives of macroeconomic policy.

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12. Distinguish between induced investment and autonomous investment.
13. Describe the absolute income hypothesis.
14. Distinguish between permanent income and transitory income. **(2×6=12)**

PART – C

Short essay type questions. Answer **any four** questions.

15. Discuss the important elements of the classical model.
16. Illustrate and explain the Keynesian Cross diagrams.
17. Examine the significance of accelerator in economics.
18. Examine the role of Government expenditure.
19. Discuss the Keynesian theory of demand for money.
20. Discuss the significance and determinants of the investment multiplier. **(3×4=12)**

PART – D

Essay type questions. Answer **any two** questions.

21. Explain the nature and scope of macro economics.
22. Explain the circular flow of income and expenditure in three sector economy.
23. Critically examine the relative income hypothesis.
24. Explain the meaning, major objectives and instruments of monetary policy. **(5×2=10)**