



Maximum

Avinashilingam Institute for Home Science and Higher Education for Women
(Deemed to be University under Category 'A' by MHRD, Estd. u/s 3 of UGC Act 1956)
Re-accredited with 'A+' Grade by NAAC. Recognised by UGC Under Section 12B
Coimbatore - 641 043, Tamil Nadu, India

Bachelor's Degree Examination – March 2021
I Semester

Class : I UG
Major : Economics

Time : 3 Hours
Max. Marks: 100

18BECC02 Macro Economics I

Part A

10 x 1 = 10

Choose the Correct Answer

1. Whose opinions have revolutionised the scope of macro economics?
a. Adam Smith b. J.B. Say c. J.M. Keynes d. Marshall
2. Study of large aggregates of economic system is called
a. Micro Economics b. Macro Economics
c. Monetary Economics d. Industrial Economics
3. When depreciation is deducted from GNP, the net value is
a. Net national product b. Net domestic product
c. Gross national product d. Disposable income
4. _____ is the popular term for environmental and natural resource accounting.
a. Green accounting b. Red accounting
c. White accounting d. Block accounting
5. In classical theory the level of employment is a function of
a. Price level b. Money wage rate
c. Quantity of money d. Real wage rate
6. Say's Law of market says
a. Demand creates supply b. Supply creates demand
c. Income generates demand d. Savings create demand in the market
7. The book General Theory of Employment, Interest and Money was published in
a. 1916 b. 1926 c. 1936 d. 1946
8. In explaining the level of unemployment, Keynes emphasized-
a. Changes in technology. b. Aggregate demand.
c. Inflationary expectations. d. Lending by financial institutions
9. The relationship between consumer expenditures and disposable income is the _____ function.
a. Savings b. Supply c. Demand d. Consumption
10. Psychological law of consumption has been given by _____
a. J. M. Keynes b. J.S.Duesenberry
c. J.S.Mill d. Friedman

Part B

5 x 6 = 30

Answer ALL questions

Each answer should not exceed 400 words or two pages

- 11.a. Explain the nature and scope of macro economics.
(or)
11.b. Give an account of basic concepts of macro economics.
- 12.a. Interpret the various concept of national income.
(or)
12.b. What do you mean by Green GDP?
- 13.a. What are the assumptions of classical theory of employment?
(or)
13.b. Write short note on flexibility of wages.
- 14.a. Estimate the importance of effective demand.
(or)
14.b. Illustrate the determination of effective demand.
- 15.a. Sketch the meaning of consumption function.
(or)
15.b. List out the factors determining consumption.

Part C

5 x 12 = 60

Answer ALL questions

Each answer should not exceed 800 words or four pages

- 16.a. Distinguish between micro and macro economics.
(or)
16.b. Enumerate the various methods of macro economics.
- 17.a. How to measure National Income? Explain the methods of measuring national income.
(or)
17.b. Explain the circular flow of income.
- 18.a. Analyse the merits and demerits of Say's Law of Markets.
(or)
18.b. Examine the Keynes theory of employment.
- 19.a. Discuss the aggregate supply function.
(or)
19.b. Evaluate the criticism of Keynesian theory of employment.
- 20.a. Describe the Implication of Keynes Psychological Law of Consumption.
(or)
20.b. Show the measures to raise the propensity to consume.
