

Avinashilingam Institute for Home Science and Higher Education for Women
(Deemed to be University) Coimbatore -641 043
Bachelors Degree Examination – November 2018

I Semester

Class: I UG

Time: 3 Hours

Major : Economics

Max.Marks: 100

18BECC02-Macro Economics - I

Choose the correct answer

10*1=10

1. Who has used to term micro and macro in economics in 1933
 - a) Ragnerfrisch.
 - b) Dalton
 - c) Marshall
 - d) Keynes
- 2) Father of Macro Economics is
 - a) Pareto
 - b) Say
 - c) Mill
 - d) Keynes
- 3) The national income is equal to
 - a) NNP-Subsides-taxes
 - b) GNP
 - c) NNP-Direct taxes+ subsidies
 - d) All of these
- 4) Which of the following state in India currently has the highest per capita income
 - a) Goa
 - b) Delhi
 - c) Maharashtra
 - d) Punjab
- 5) In the classical, the shape of supply curve
 - a) Vertical
 - b) Horizontal
 - c) Upward
 - d) Downward
- 6) J.B say is a
 - a) French economist
 - b) American economist
 - c) Jappan economist
 - d) Russian economist
- 7) Keynesian general theory was published in the year
 - a) 1928
 - b) 1936
 - c) 1930
 - d) 1928
- 8) The starting point of Keynes theory of employment is the principle of
 - a) Effective demand
 - b) Full employment
 - c) Unemployment
 - d) Aggregate demand
- 9) The relationship between disposable income and consumption is called
 - a) Permanent income
 - b) Temporary income
 - c) Production function
 - d) Consumption function
- 10) Identify the Keynes law of consumption
 - a) Psychological law of consumption
 - b) consumption function
 - c) MPC
 - d) APC

Part B

5 X 6=30

Answer the following

Answer should not exceed 400 words or two pages

11 a. Explain the scope of Macroeconomics

(or)

11.b. Examine the importance of the Macro economics

12.a. Analyze the problems of measurement of national income in a developing economy?

(Or)

12.b. Write the significance of circular flow of income

(or)

13.a. Explain the assumptions of the classical theory of output and employment.

(or)

13. b. Illustrate the classical outlook about wage-price flexibility and full employment.

14. a. Explain Aggregate supply function

(or)

14. b . Explain the importance of effective demand.

15.a. Assess the implications of the consumption function.

(or)

15.b . Explain the relationship between MPC and APC

Part C

5 x 12=60

Answer the following

Answer should not exceed 800 words or four pages

16 a. Discuss the key difference between micro and macroeconomics.

(or)

16. b. Analyze the key economic variables.

17 a. Examine the concepts of national income.

(or)

17. b. Explain the relationship between economic welfare and national income.

18 a. Illustrate the J.B.say's Theory

(or)

18.b . Describe the Keynes criticism against classical theory.

19 a. What do you mean by effective demand? How is it determined?

(or)

19. b. Assess the difference between demand and effective demand.

20 a. What are the factors determining consumption.

(or)

20. b. How to raise the propensity to consume?
