

STELLA MARIS COLLEGE (AUTONOMOUS), CHENNAI – 86
(For Candidates admitted during the academic year 2015 – 2016 and thereafter)
SUBJECT CODE: 15EC/MC/MA55

B.A. DEGREE EXAMINATION NOVEMBER 2018
BRANCH IV – ECONOMICS
FIFTH SEMESTER

COURSE : MAJOR – CORE
PAPER : MACROECONOMICS – I
TIME : 3 HOURS

MAX. MARKS: 100

SECTION – A

ANSWER ANY TEN QUESTIONS. EACH ANSWER NOT TO EXCEED 50 WORDS

(10x2=20)

1. Distinguish between the concepts of stocks and flow.
2. What is meant by disposable income?
3. State the Fisher's quantity theory of money.
4. What is meant by classical dichotomy?
5. What do you mean by effective demand?
6. What is meant by under employment?
7. Derive aggregate demand curve.
8. What are the technical attributes of consumption function?
9. What is meant by Ratchet effect?
10. Write a short note on transitory income.
11. What do you mean by MEC?
12. Define employment multiplier.

SECTION – B

ANSWER ANY FIVE QUESTIONS. EACH ANSWER NOT TO EXCEED 400 WORDS

(5x8=40)

13. Distinguish between microeconomics and macroeconomics.
14. What are the various methods of measuring National Income?
15. Diagrammatically explain the classical theory of output and employment.
16. Bring out the policy implications of classical equilibrium model.
17. Compare and contrast classical versus Keynesian theories.
18. Explain the Duesenberry's model of consumption function.
19. What are the factors affecting investment other than rate of interest?
20. Explain the operation of acceleration principles.

SECTION – C

ANSWER ANY TWO QUESTIONS. EACH ANSWER NOT TO EXCEED 1000 WORDS

(2x20=40)

21. Diagrammatically explain the static, comparative static and dynamic equilibrium.
22. Examine the Keynesian model of income and employment determination.
23. Discuss critically Milton Friedman's Permanent Income hypothesis of consumption.
24. Describe the interaction between multiplier and accelerator.
