

LOYOLA COLLEGE (AUTONOMOUS), CHENNAI – 600 034



B.A.DEGREE EXAMINATION –ECONOMICS

FOURTH SEMESTER – APRIL 2019

17/16UEC4MC01– MACRO ECONOMICS - I

Date: 02-04-2019
Time: 09:00-12:00

Dept. No.

Max. : 100 Marks

PART-A

Answer any FIVE Questions in about 75 words each: (5 × 4 = 20 Marks)

1. Distinguish between stock and flow variables.
2. List out the limitations of macro economics.
3. Define national income accounting.
4. State the implications of Say's law of market.
5. Explain the principles of effective demand with a diagram.
6. State and explain life cycle hypothesis.
7. Write a short note on liquidity trap.

PART-B

Answer any FOUR Questions in about 250 words each: (4 × 10 = 40 Marks)

8. Briefly state the nature and scope of macro economics.
9. Examine the various concepts of national income.
10. Bring out the criticism of the Say's law of markets.
11. Enumerate the Pigou' reformulation of wage cut as a measure of full employment.
12. What are the main elements of permanent income hypothesis?
13. Explain the Keynesian theory of investment.
14. Evaluate the Tobins' portfolio selection model.

PART-C

Answer any TWO Questions in about 900 words each: (2 × 20 = 40 Marks)

15. Explain the process of circular flow of income and expenditure in four sector model.
16. Discuss the various methods of measuring national income and difficulties involved in it.
17. Describe the multiplier and acceleration interaction.
18. Critically examine the Friedman's quantity theory of money.
