

LOYOLA COLLEGE (AUTONOMOUS), CHENNAI – 600 034



B.A.DEGREE EXAMINATION –ECONOMICS

FOURTH SEMESTER – APRIL 2018

EC 4503– MACRO ECONOMICS - I

Date: 09-05-2018

Dept. No.

Max. : 100 Marks

Time: 09:00-12:00

PART – A

Answer any FIVE questions in about 75 words each:

(5 x 4 = 20 Marks)

1. Explain Stock and Flow in Macroeconomics.
2. Explain the term Comparative statics.
3. Write a short note on Social Accounting.
4. Briefly state the difficulties in Social Accounting.
5. State the assumptions of Classical theory of Employment.
6. Explain Aggregate Demand.
7. Derive a LM curve.

PART – B

Answer any FOUR questions in about 250 words each:

(4 X 10 = 40 Marks)

8. Distinguish between Static and Comparative Statics.
9. Examine the importance of Macroeconomic analysis.
10. Explain the significance of Social Accounting.
11. Discuss the Classical theory of Employment.
12. Examine Keynes' criticisms of Classical Theory.
13. Explain the determination of Effective Demand.
14. Analyse Keynes' Law of Consumption Function.

PART – C

Answer any TWO questions in about 900 words each:

(2 X 20 = 40 Marks)

15. Examine Circular Flow of Income in a three sector economy.
16. Critically evaluate the superiority of Keynes' model of income determination over that of Classical Theory.
17. Analyse Keynes' Liquidity Preference Theory.
18. Examine General Equilibrium of Product and Money markets by deriving IS and LM curves.
