SECOND SEMESTER B.A. DEGREE EXAMINATION, APRIL 2022
(CBCSS - UG)
(Regular/Supplementary/Improvement)
CC19U ECO2 B02 - MACRO ECONOMICS - I
(Economics - Core Course)
(2019 Admission onwards)

Time : 2.5 Hours   Maximum : 80 Marks

Credit : 5

Part A (Short answer questions)

Answer *all* questions. Each question carries 2 marks.

1. Distinguish between equilibrium and disequilibrium.

2. What is Green GNP?

3. Explain neutrality of money.

4. Define full employment.

5. Define the store value of money.

6. What is meant by neutrality of money?

7. Explain accounting equality between saving and investment.

8. What is aggregate demand curve?

9. What is meant by money illusion?

10. What are the components of aggregate demand?

11. Explain tax multiplier.

12. State the fisher's equation of exchange.

13. Distinguish between inside money and outside money.

14. Distinguish between money and near money.

15. Distinguish between real and nominal interest rate.

(Ceiling: 25 Marks)

Part B (Paragraph questions)

Answer *all* questions. Each question carries 5 marks.

16. Explain the scope and significance of macro economics.

17. Examine circular flow of income in a three sector model.

18. How cash balance approach is differ from cash transaction approach?

19. Changes in monetary variables do not affect real variables. Explain.

20. What are the determinants of MEC?

21. Discuss the functions of Money.

22. Distinguish between Inside Money and Outside Money.

23. Explain money multiplier.

(Ceiling: 35 Marks)

Part C (Essay questions)

Answer any *two* questions. Each question carries 10 marks.

24. What is national income? What are the difficulties faced in its calculation?

25. How Cambridge schools quantity theory of money superior over classical theory? Discuss.

26. Explain the determination of equilibrium level of income using the Keynesian cross model.

27. Explain Liquidity preference theory of demand for money.

(2 × 10 = 20 Marks)

****