

**S.NO: 22N1- PE**

**Course Code: PGEB**

**A.D.M.COLLEGE FOR WOMEN, NAGAPATTINAM**

**(AUTONOMOUS)**

**M.A (Economics) Degree Examination**

**I Semester –November– 2022**

**CC II – MACRO ECONOMIC THEORY AND POLICY I**

**Time: 3 hours**

**Maximum Marks: 75**

**Section –A**

**(10X2=20)**

Answer **ALL** the Questions

1. Mention any four macroeconomic variables.
2. What do you mean by static analysis?
3. Define the term 'National Income'.
4. State the meaning of open economy.
5. What is aggregate demand?
6. What is meant by Laissez-faire policy?
7. Give the meaning of consumption function.
8. What is marginal propensity to consume?
9. Give the meaning of supply-side economics.
10. What is real market?

**Section -B**

**(5X5=25)**

Answer **ALL** the Questions

11. a) List out the limitations of Macro Economics.

**(or)**

b) Explain the concept of comparative static analysis.

12. a) Describe the difficulties in measurement of national income.

**(or)**

b) Examine the nature of income flow in a three-sector economy.

13. a) Give an outline to Keynesian Theory of Employment.

**(or)**

b) Describe the concept of effective demand.

14. a) Discuss the implications of Keynesian Psychological Law of Consumption.

**(or)**

b) Briefly explain the Life Cycle Hypothesis of Consumption.

15. a) Examine the features of supply-side economics.

**(or)**

b) Discuss the interaction between goods and money market equilibrium.

**Section -C**

**(3 X 10 = 30)**

Answer any **THREE** Questions

16. Discuss the nature and scope of Macro Economics.
17. Examine the methods of measuring national income.
18. Compare and contrast the Classical and Keynesian Theories of Employment.
19. Critically examine the Relative Income Hypothesis of Consumption.
20. Explain the Rational Expectation Hypothesis and its relevance.