



LOYOLA COLLEGE (AUTONOMOUS), CHENNAI – 600 034

B.A. DEGREE EXAMINATION – ECONOMICS

FOURTH SEMESTER – NOVEMBER 2016

EC 4503/EC 4500 – MACRO ECONOMICS - I

Date: 04-11-2016

Dept. No.

Max. : 100 Marks

Time: 01:00-04:00

PART – A

Answer any FIVE questions in about 75 words each:

(5 x 4 = 20 Marks)

1. Define Macro Economics.
2. Differentiate between Stock and Flow.
3. List the components of Gross National Product under income approach.
4. Explain the Value Added approach of measuring National Income.
5. Define Say's Law of Markets.
6. Define Induced Saving.
7. State Money Market Equilibrium.

PART – B

Answer any FOUR questions in about 250 words each:

(4 x 10 = 40 Marks)

8. Examine the scope of Macro Economics.
9. Explain the limitations of Macro Economics.
10. Discuss the components of Gross National Product under expenditure approach.
11. Explain Assumptions of Classical theory of Employment.
12. Discuss the Leakages of Multiplier.
13. Examine the factors that affect consumption function.
14. Explain Product Market equilibrium

PART – C

Answer any TWO questions in about 900 words each:

(2 x 20 = 40 Marks)

15. Examine Circular Flow of Income and expenditure in an economy.
16. Analyse Keynes' criticisms of Classical Theory of Employment.
17. Explain induced investment. Discuss the determinants of inducement to invest.
18. Derive IS-LM curve and analyse the general equilibrium of product and money market.
