

12
K25U 2387

Reg. No. :

Name :

V Semester B.A. Degree (C.B.C.S.S. – O.B.E. – Regular/Supplementary/
Improvement) Examination, November 2025
(2019 to 2023 Admissions)

CORE COURSE IN ECONOMICS/DEVELOPMENT ECONOMICS
5 B09 ECO/DEV ECO : Macro Economic Analysis – I

Time : 3 Hours

Max. Marks : 40

PART – A

Very short answer questions. Answer **all** questions.

1. Macro Economics
2. Involuntary Unemployment
3. Labour Market
4. Monetary Policy
5. Investment Multiplier
6. Effective Demand.

(6×1=6)

PART – B

Short answer type questions. Answer **any six** questions.

7. Distinguish between Endogenous and Exogenous Variables.
8. Briefly explain Saving-Investment Equality.
9. Give a note on the features of Money Market.
10. Explain Relative Income Hypothesis.
11. What do you mean by Underemployment equilibrium ?

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12. Define Money Illusion.
13. Explain Saving Function.
14. What do you mean by Consumption Puzzle ?

(6×2=12)

PART – C

Short essay type questions. Answer **any four** questions.

15. Explain Say's Law of market.
16. Point out the features of Classical Model of Full Employment.
17. Distinguish between MEC and MEI.
18. Give a detailed explanation on Inflationary Gap.
19. Explain Life Cycle Hypothesis.
20. How Bank Rate and Open Market Operations correct inflation in an economy ?

(4×3=12)

PART – D

Essay type questions. Answer **any two** questions.

21. Write an essay on major assumptions of Classical Theory of employment.
22. Explain Circular Flow of Income in a three sector economy.
23. Critically examine Absolute Income Hypothesis.
24. Explain Accelerator Theory of Investment.

(2×5=10)