D3BEM2101

THIRD SEMESTER B.Sc. DEGREE EXAMINATION, NOVEMBER 2022
(Regular/Improvement/Supplementary)
ECONOMICS & MATHEMATICS (DOUBLE MAIN)
GDEC3A01T: MACROECONOMICS I

Time: 2 ½ Hours   **Maximum Marks: 80**

SECTION A: Answer the following questions. Each carries *two* marks.
(Ceiling 25 Marks)

Write notes on:

1. GNP and NNP.
2. Investment multiplier.
3. Demand pull inflation.
4. MEC.
5. Says law of market.
6. Keynesian aggregate supply curve
7. Philips curve
8. Frictional unemployment
9. Liquidity trap
10. Social cost inflation
11. Fiscal policy
12. NAIRU
13. Aggregate demand
14. Rational expectation
15. IS Curve

SECTION B: Answer the following questions. Each carries *five* marks.
(Ceiling 35 Marks)

16. Explain classical theory of interest rate determination.
17. Discuss Endogenous growth theory.
18. Analyze the features of classical labour market.
19. How does Solow model explain technological change ?
20. Discuss equilibrium in the money market.
21. Explain Keynesian model of income determination in a two sector model
22. Discuss income method of national income calculation.
23. Explain Keynesian consumption function.

SECTION C: Answer any *two* questions. Each carries *ten* marks.

24. Explain the Solow model of growth.
25. Discuss the classical quantity theory of money.
26. Elaborate the effectiveness of monetary and fiscal policy in IS LM model.
27. Show that in the long run Philips curve will be vertical.

(2 × 10 = 20 Marks)