**SAINTGITS COLLEGE OF APPLIED SCIENCES**

**Second Internal Assessment Examination, OCTOBER 2018**

**Department of Corporate Economics, Semester5**

**MACRO ECONOMICS I**

**Total : 80 marks Time: 3Hours**

**Section A**

**Answer all questions. Each question carries 1 mark.**

1. Variables
2. Aggregate demand
3. National income
4. Economic model
5. J.M Keynes
6. Classical Economics
7. Keynesian economics
8. Effective Demand
9. Says Law
10. Velocity of Money

  **(10 X 1 = 10 marks)**

**Section B**

**Answer any 8 questions. Each question carries 2 marks**

1. What is NEW?
2. Differentiate Stock and Flow.
3. What is Consumption Function?
4. Differentiate Endogenous and Exogenous.
5. Actual GNP and Potential GNP.
6. What is Keynesian Revolution?
7. What is Inflation?
8. What is Neutrality of Money?
9. What is Sticky Prices?
10. What is Great Depression?
11. Differentiate Independent and Dependent Variable.
12. Point out Fiscal Policy.

 **(8 X 2 = 16 marks)**

**Section C**

**Answer any 6 questions. Each question carries 4 marks.**

1. Differentiate Micro and Macro Economics
2. Differentiate Static and Dynamic Variable
3. Describe Keynes attack on Classicals
4. Elucidate Classical theory Assumptions
5. Explain Says law of Market
6. What do you mean by consumption function? From the given income-consumption data, find APC and MPC.

Y: 300 400 500 600 700

C: 300 380 460 540 620

1. Explain Phillips curve?
2. Explain Wage Price Flexibility
3. Explain the various methods for measuring national income?

 **(6 X 4= 24 marks)**

**Section D**

**Answer any 2 questions. Question carries15 marks.**

1. Critically examine Classical Dichotomy
2. Critically examine the Classical Theory of Employment?
3. Graphically explain the circular flow of income in a four sector model?
4. Examine the determination of Income and Employment on the role of money and price and Keynes attack on Classical theory?

 **(2 X 15 = 30 marks)**