

Reg. No..... Name.....

B A, B SC, B COM DEGREE END SEMESTER EXAMINATION – OCTOBER 2025**UGP (HONS.) SEMESTER - 3: DISCIPLINE SPECIFIC COURSE****COURSE: 24UECODSC202 – MACROECONOMIC ANALYSIS***(For Regular 2024 Admission)*

Time: 2 Hours

Max. Marks: 70

PART A (Short Answers)***Answer any FOUR of the following questions not exceeding 40 words.***

1. Define Nominal GNP. (R, CO1)
2. Explain the concept of Net Economic Welfare. (U, CO1)
3. Briefly explain wage-price flexibility. (U, CO2)
4. Define effective demand. (R, CO3)
5. State Keynes's Psychological Law of Consumption. (R, CO3)
6. Write the algebraic expression for the equilibrium income in a two-sector economy. (R, CO4)
(2 x 4 = 8)

PART B – (Short Essay)***Answer any FOUR of the following questions not exceeding 150 words.***

7. Describe the circular flow of economic activity in a two-sector model. (R, CO1)
8. Discuss the concept of the "neutrality of money" in the Classical framework. (A, CO2)
9. Differentiate between cash transactions and cash balance approaches (A, CO2)
10. What is the significance of MPC in Keynesian economics? (A, CO3)
11. Explain the concept of underemployment equilibrium within the two-sector Keynesian model. (A, CO4)
12. Briefly explain the components of the four-sector Keynesian cross model. (A, CO4)
(8 x 4 = 32)

PART C Long Essay***Answer any TWO of the following questions not exceeding 300 words.***

13. Critically analyze the different methods of measuring national income, including the output, income, and expenditure methods. (An, CO1)
14. Explain the Quantity Theory of Money (Fisher's version). How does it relate to the Classical Dichotomy and the Neutrality of Money? (An, CO2)

15. Elaborate on Keynes's Psychological Law of Consumption. Explain the factors, both objective and subjective, that influence the consumption function.

(An, CO3)

16. Explain the Keynesian cross model in a three-sector economy.

(An, CO4)

(15 x 2 = 30)

