

B.A.LL.B (SEMESTER III) Examination October 2016.

**ECONOMICS III**

Duration : 3 Hours

Total Marks :75

**Instructions:**

(8 x 8 = 64)

- 1) Answer any Eight questions from Q.No.1 to 12
- 2) Q. No.13 and Q.No.14 are compulsory
- 3) Students are advised to incorporate the exact question number in the answer scripts.

- 1 Explain the Concepts of National Income.
- 2 Explain the Demand side of loanable funds with the help of a diagram.
- 3 Explain the Say's Law of market.
- 4 State and explain the Liquidity Preference theory with the help of a diagram.
- 5 Explain the determinants of Propensity to consume.
- 6 Explain the Harrod Model of economic growth.
- 7 Explain the relationship between saving and investment.
- 8 State and Explain the criticisms of the Hicks theory.
- 9 Explain the factors that are responsible for the growth in an economy.
- 10 Explain Hayeks over Investment theory of trade cycles.
- 11 Critically evaluate Solow's Growth Model.
- 12 Explain the measures to control business cycles.

13 Short Notes Answer any two out of three:

(3 x 2 = 6)

- a) State the Circular flow of Income with households and firms.
- b) Explain the types of trade cycles.
- c) What is the marginal efficiency of capital?

14 Short notes Answer any two out of three:

(2.5 x 2 = 5)

- a) Write a note on saving and dishoarding the supply side of loanable funds.
- b) What is investment and explain autonomous investment and induced investment.
- c) What is interest and explain Gross interest and Net interest.

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