

B.A. LL.B. SEMESTER III EXAMINATION APRIL 2015

ECONOMICS – III: MACRO ECONOMICS

Duration: 3 Hours

Total Marks: 75

Instructions: 1) Answer **any eight** questions from Q.1 to Q. 12
2) Q. No. 13 and Q. No. 14 are **compulsory**.

- 1) Explain the income method and the problems encountered in measuring the national income by this method. 8
- 2) Explain the importance of social accounting. 8
- 3) Bring out the advantages and disadvantages of green accounting. 8
- 4) Explain the Say's law of market. 8
- 5) Explain the principle of effective demand. 8
- 6) Elaborate on the importance of the consumption function. 8
- 7) Bring out the difference between autonomous & induced investment. 8
- 8) Critically evaluate Keynes's liquidity preference theory. 8
- 9) Explain Hayek's monetary over-investment theory. 8
- 10) Explain the measures to control the business cycles. 8
- 11) Elaborate on the causes of economic growth. 8
- 12) Explain Joan Robinson's model of capital accumulation. 8
- 13) Write short notes on **any two**: 6
 - a) Marginal propensity to consume
 - b) Recession phase of business cycle
 - c) Keynes's criticism of classical theory
- 14) Write a short note on **any two**: 5
 - a) Precautionary motive of Keynesian theory
 - b) Characteristics of business cycle
 - c) Assumptions of the Solow model.
