



KERALA AGRICULTURAL UNIVERSITY
B. Sc. (Hons.) C & B 2018 Admission
II Semester Final Examination-August-2019

Econ.1202

Macro Economics for Agri-Business (2+0)

Marks: 50
Time: 2 hours

I Fill in the blanks

(10x1=10)

- 1 Psychological law of consumption is attributed to
- 2 The two sectors in a two-sector circular flow model are firms and
- 3 National income can be measured in (how many?) ways.
- 4 Inventory management theory was proposed by
- 5 "Supply creates its own demand" is a famous quote attributed to
- 6 Philip's Curves gives the relationship between unemployment and
- 7 Milton Friedman restated theory of money.
- 8 MPS stands for
- 9 The money supply in India is regulated by
- 10 A monetary aggregate that is published by RBI can be

II Write short notes on ANY FIVE of the following

(5x2=10)

- 1 What is meant by macro-statics?
- 2 Different phases in a business cycle?
- 3 Inflationary gap.
- 4 Explain income multiplier with a formula
- 5 Mention the different motives for liquidity according to Keynes.
- 6 National Income (Y) = _____ + _____ + _____ + _____
- 7 What is fiat money?

III Answer ANY FIVE of the following

(5x4=20)

- 1 Quantity theory of money
- 2 Functions of money.
- 3 Accelerator theory of investment.
- 4 Portfolio approach of Tobin.
- 5 Money supply in India.
- 6 Expenditure method of calculating national income.
- 7 Philip's Curve.

IV Write an essay on ANY ONE of the following

(1x10=10)

- 1 Keynesian theory of income and employment.
- 2 Inflation- its causes and types of inflation as well as ways to control it.
