

FAROOK COLLEGE (AUTONOMOUS), KOZHIKODE  
Fifth Semester BA Economics Degree Examination, November 2018  
ECO5B07 – Macro Economics - I  
(2015 Admission onwards)

Max. Time: 3 hours

Max. Marks: 80

**PART A**

**Answer All Questions. Each question carries ½ marks**

**Multiple choice questions**

Say's law of market will not operate under the condition of

- a) Barter economy
- b) Money economy
- c) Equality of saving & investment
- d) Inflexible money & wages

The value of MPC is:

- a) >1
- b) 1
- c) 0
- d)  $0 < MPC < 1$

Inflation deliberately undertaken to relieve depression is:

- a) Deflation
- b) Disinflation
- c) Reflation
- d) Stagflation

GNP Gap is equal to:

- a) GNP- NNP
- b) GNP - NI
- c) GNP- GDP
- d) Potential GNP- Actual GNP

**Fill in the blanks**

1. GNP adjusted for environmental damage is known as .....
2. Ceteris Paribus means .....
3. Classical dichotomy is the result of .....
4. The slope of the consumption function is .....

**Answer in a word or sentence**

9. Ex - ante & Ex- post
10. Autonomous investment
11. Ratchet effect
12. Permanent income

(12 x ½ = 6 Marks)

### PART B

Very short answer questions - Answer any 10. Each question carries 2 marks

13. What is meant by money illusion?
14. Distinguish between endogenous & exogenous variables?
15. What are economic models?
16. Differentiate GDP & NDP
17. Enumerate the Says Law of Market.
18. How can you distinguish MPC from MPS?
19. State Relative Income Hypothesis.
20. What is demonstration effect ?
21. Define MEC.
22. What do you mean by laissez faire system ?
23. What is Deflated GNP?
24. Distinguish between stocks & flows.

(10 x 2= 20 Mar

### PART C

Short Essay Type Questions - Answer Any 6 Questions. Each question carries 5 marks

25. Briefly explain the quantity theory of money.
26. Explain the important macroeconomic variables.
27. What is the concept of effective demand.
28. Critically examine the classical theory of employment & output determination.
29. What are the implications of Keynes Psychological Law of Consumption?
30. Explain subjective and objective factors influencing consumption.
31. Explain the concept of inflationary gap with the help of a diagram.
32. Critically examine the life cycle consumption hypothesis.

(6 x 5= 30

### PART D

Essay Type Questions - Answer Any 2 Questions. Each question carries 12 marks

33. Discuss the Keynesian theory of employment. How far it is an improvement over the classical theory?
34. Discuss the method of computing national income. What are the difficulties of estimating national income in a developing and emerging country like India?
35. Explain the determination of income in a three sector model using Keynesian diagrams.
36. Elucidate that less than full employment situation is a rarity under classical theory.

(2 x 12= 24 Marks

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FAROOK COLLEGE (AUTONOMOUS), KOZHIKODE  
Fifth Semester BA Economics Degree Examination, November 2018  
ECO5B08– India's Economic Development, National & Regional  
(2015 Admission onwards)

Max. Time: 3 hours

Max. Marks: 80

**Section A**

**Choose the correct answer. Answer all questions.**

1. Present Union Finance Minister is .....  
a. Chudambaram                      b. Thomas Issac                      c. Arun Jaitely
2. Father of Green Revolution is .....  
a. MS Swaminathan                      b. Amartya Sen                      c. Norman Borlough
3. The first planning Commission was started in the year .....  
a. 1950                      b. 1949                      c. 1951
4. India follows ..... economic framework  
a. capitalist                      b. mixed economic                      c. socialist
5. .... played a key role in the development of Kerala  
a. education                      b. remittances                      c. both
6. MGNREGA was passed in the year .....  
a. 2005                      b. 2006                      c. 2004
7. Minimum support price is otherwise called .....  
a. Agricultural price                      b. procurement price                      c. floor price
8. .... recommended Agricultural Income Tax in India for the first  
a. Amartya Sen                      b. Chellayya                      c. KN Raj
9. PQLI was developed by .....  
a. Mahabub-Ul-Haq                      b. Morris David Morris                      c. Samuelson
10. .... is the first Vice-Chairman of Indian Planning Commission  
a. Nehru                      b. Mahalanobis                      c. Gulsarilal Nanda
11. NABARD was established in the year .....  
a. 1973                      b. 1982                      c. 1935
12. .... publishes national income statistics in India  
a. Planning Commission                      b. CSO                      c. NITI Aayog

(12 x ½ =6 Marks)

### Section B

Very short answer questions. Answer any ten questions

13. Relative poverty
14. HYV seeds
15. SSI
16. Globalisation
17. PDS
18. FDI
19. Agricultural Subsidy
20. Poverty line
21. Industrial policy resolution of 1980
22. Food Security Act
23. Under employment
24. MGNREGA

(10 x 2 = 20 Ma

### Section C

Short essay questions: Answer any six

25. What is the relevance of Finance commissions in India?
26. What is TPDS?
27. What is globalisation?
28. Briefly explain the infrastructure development of India
29. Explain disinvestment.
30. Explain briefly about the land reform measures of Kerala.
31. Briefly explain the poverty profile of Kerala
32. What are the factors responsible for the low economic development of India colonial rule?

(6 x 5 = 30 M

### Section D

Essay questions. Answer any two

33. Explain the need, scope and appraisal of land reforms in India.
34. Foreign remittance is the engine of Kerala's socio-economic development. E
35. What are the objectives, strategies and achievements of planning in India
36. Explain briefly the development and structural change of Indian economy sir 1991.

(2 x 12 = 24 ]



### Part B

#### Very Short Answer Questions-Answer Any Ten

13. What are the basic features of a financial asset?
14. Differentiate between organised financial markets and unorganised financial markets.
15. What are the preferences that are being offered to preference shareholders in the secondary market?
16. Name any four participants in primary market.
17. What is meant by gilt-edged market?
18. What are the benefits of investors in buying securities from new issues market?
19. Define underwriting.
20. Write any four benefits of investing in mutual fund.
21. Distinguish between employee stock option and right issue method.
22. What is meant by listing?
23. Identify the role of RBI in India's gilt-edged market?
24. Distinguish between merchant bank and commercial bank.

(10 x 2=20 marks)

### Part C

#### Short Essay Questions-Answer Any Six

25. Give a structure of Indian capital market.
26. How does an IPO should be evaluated by an investor?
26. What are the functions of primary market in a developing country like India?
27. Examine the impact of economic reforms on Indian capital market.
28. Examine to what extent a regulatory authority is necessary in capital markets.
29. Differentiate between primary market and secondary market.
30. What are the requirements for a company to be listed in India's stock exchanges?
31. Distinguish between physical shares and demat shares.
32. Briefly explain the uses of depository account for the investors.

(6 x 5=30 marks)

### Part D

#### Essay Questions-Answer Any Two

33. Explain the capital market instruments and examine their role in economic development of a country.
34. What are the methods of floating new issues in primary market? Elucidate the positives and negatives of these methods in the perspective of issuer companies.
35. Elucidate the role of capital market in a developing country like India. Evaluate the contributions of capital markets in India's economic development since 1991.
36. Discuss the features and weaknesses of Indian financial system and compare those with the financial system of a developed economy.

(2 x 12=24 marks)

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Reg. No:.....

Name: .....

FAROOK COLLEGE (AUTONOMOUS), KOZHIKODE  
Fifth Semester BA Economics Degree Examination, November 2018  
ECO5B10– International Economics  
(2015 Admission onwards)

Max. Time: 3 hours

Max. Marks: 80

**Section A (Multiple Choice Questions)**  
*Answer all the questions*

1. Import Quota is a
  - a) Tariff
  - b) Non tariff trade barrier
  - c) Concession
  - d) Obligation
2. In H-O Theorem, factor abundance is defined in terms of
  - a) Physical quantities of factor
  - b) Factor prices
  - c) Both (a) and (b)
  - d) None of the above
3. Devaluation of currency will lead to a
  - a) Fall in domestic price
  - b) Increase in domestic price
  - c) No effect on domestic price
  - d) Fall in domestic demand
4. The basis of trade according to Adam Smith was
  - a) Absolute advantage
  - b) Comparative advantage
  - c) Absolute equal advantage
  - d) Free trade
5. Forward market in foreign exchange market is a market of
  - a) Short run
  - b) Long run
  - c) Spot
  - d) Uncertainty
6. Purchasing Power Parity Theory was developed by
  - a) Bellasi
  - b) Gustav Cassel
  - c) Haberler
  - d) Alex Hamilton
7. Offer curve was first used by
  - a) J S Mill
  - b) Ricardo
  - c) Marshal and Edge worth
  - d) Bo Soderstein
8. Optimum Tariff is the tariff which
  - a) Reduces the volume of trade
  - b) Maximizes the negative effect of tariff
  - c) Maximizes a country's welfare
  - d) Maximizes the revenue of the Government
9. J-Curve Effect is associated with
  - a) Cartels
  - b) Devaluation
  - c) Customs Union
  - d) Tariff
10. The theory of customs union was first developed by
  - a) Viner
  - b) Cooper
  - c) Meade
  - d) Lipsey
11. Export promotion is
  - a) An inward looking policy
  - b) Outward looking policy
  - c) Monetary policy
  - d) Restrictive policy
12. The most powerful organ of IMF is
  - a) Interim Committee
  - b) Executive Board
  - c) Board of Directors
  - d) Council of Directors

(12 x ½ = 6 Marks)

**Section B (Very Short Answer Questions)**  
*Answer any ten questions (not exceeding 100 words)*

13. Write a short note on Devaluation
14. Explain the concept of NTB
15. What is Foreign Exchange Market?
16. What do you mean by Anti dumping rules?
17. Write a brief note on Internal Trade
18. Define Arbitrage
19. What do you mean by Floating Exchange Rate?
20. Brief the concept of Over Valuation of currency
21. What is Balance of Trade?
22. What do you mean by Export Promotion Policy?
23. Write a note on OPEC?
24. Explain FPI

(10 x 2=20 M)

**Section C (Short Essays)**  
**Answer any six of the following questions in one and half pages each**  
**(Not exceeding 150 words)**

25. Explain the arguments against and in favour of Protectionism
26. What are the various components of Foreign Exchange?
27. Distinguish between Tariff and Non Tariff Barriers
28. Explain the Absolute Advantage version Theory of International Trade
29. Enumerate on the concept of Leontief Paradox
30. Elucidate the major causes for disequilibrium in BOP
31. Explain the different types of Tariff
32. Critically express the concept of Mint Parity Theory

(6 x 5=30 M)

**Section D (Essays)**  
**Answer any two of the following questions not exceeding four pages**

33. Critically evaluate the structure and functions of Foreign Exchange Markets
34. What do you mean by Economic Integration? Explain the advantages which developed countries can derive from Economic Integration?
35. 'A disequilibrium in the BOP, whether a deficit or surplus has important implications for a country'. Comment?
36. Critically elucidate the objectives, structure and functions of WTO.

(2 x 12=24 M)



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Reg. No:.....

Name: .....

FAROOK COLLEGE (AUTONOMOUS), KOZHIKODE

Fifth Semester BA Economics (Open Course) Degree Examination, November 2018

ECO5D01- Economics In Everyday Life

(2015 Admission onwards)

Max. Time: 2 hours

Max. Marks: 40

Part A

Multiple Choice Questions

Answer all questions and each carries half mark

1. Which theory is generally included under Micro Economics?
  - a) Price Theory
  - b) Employment Theory
  - c) Income Theory
  - d) None of the above
2. The proportionate change in quantity demanded of a commodity due to proportionate change in the price of the other commodity is termed as:
  - a) Price elasticity
  - b) Demand elasticity
  - c) Cross elasticity
  - d) Income elasticity
3. National Income is:
  - a) Net National Product at market price
  - b) Net National Product at factor cost
  - c) Net Domestic Product at market price
  - d) Net Domestic Product at factor cost
4. The nature of product in Perfect competition market is
  - a) Differentiated
  - b) Heterogeneous
  - c) Homogenous
  - d) All of the above
5. A rise in reserve ratio of banks will lead to
  - a) An increase in money supply
  - b) Proportionate increase in money supply
  - c) Decrease in money supply
  - d) None of these
6. Budget deficit plus borrowings and other liabilities is called
  - a) Fiscal deficit
  - b) Revenue deficit
  - c) Primary deficit
  - d) Budget deficit

(6 x ½ = 3 Marks)

**Part B**

**Very Short Answer Questions**

Answer *any five* and each question carries 2 marks

7. Scarcity Definition of Economics
8. Individual demand schedule and market demand schedule
9. Substitute goods and complementary goods
10. Reverse repo rate
11. Cartel
12. Define FDI and FPI
13. Fiscal Policy
14. Revenue and Capital expenditure

(5×2 = 10 Marks)

**Part C**

**Short Essay Questions**

Answer *Any Three* and each question carries 5 marks

15. Differentiate between Micro and Macro Economics.
16. How is a competitive market different from a monopoly market?
17. Define Monetary Policy and explain its instruments?
18. What is Inflation? How it affects various groups of people?

(3×5 = 15 Marks)

**Part D**

**Long Essay Questions**

Answer *any one* and carries 12 marks

19. What is elasticity of demand? Explain its types and factors that govern the elasticity of demand for a commodity?
20. Differentiate between Balance of Trade and Balance of Payment. Explain the components of Balance of Payment?

(1×12 = 12 Marks)