EC 32 CS

B.A. DEGREE EXAMINATION, NOVEMBER 2018.

Third Semester

Economics

MACRO ECONOMICS — I

(2017 – 2018 Batch Onwards)

Time : Three hours Maximum : 75 marks

SECTION A — (10 × 2 = 20 marks)

Answer ALL the questions.

1. Give clearly the meaning of inflation.

2. What are the injections and withdrawals in the circular flow of income?

3. List out any four types of unemployment.

4. Define full employment.

5. Point out any four assumptions of the classical theory of employment.

6. State the fisher's exchange equation.

7. What is meant by aggregate supply function?

8. State Keyne's Investment multiplier.

9. Make a distinction between money and near money.

10. What is meant by liquidity trap?

SECTION B — (5 × 5 = 25 marks)

Answer any FIVE questions.

11. Discuss the scope of macro economics.

12. Describe the circular flow of income in a three sector system.

13. Discuss the long run relation between employment and output.

14. How is equilibrium determined in a state of full employment?

15. State the say's law of market and what are the implications of say's law.

16. What is the impact of money supply function upon the classical system?

17. Point out the leakages of investment multiplier.

18. What are the motives for liquidity preference according to Keynes?

SECTION C — (3 × 10 = 30 marks)

Answer any THREE questions.

19. Analyse the main difficulties in the measurement of National product of income.

20. Narrate the relation between employment and output in the short and long run.

21. Analyse the effect of wage rigidity upon employment stability at full employment.

22. The aggregate demand and aggregate supply determine equilibrium output and employment – Discuss.

23. The essence of Keynesian money demand analysis lies in speculative demand for money – Discuss.

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EC 32 CS

B.A. DEGREE EXAMINATION, APRIL/MAY 2019.

Third Semester

Economics

MACROECONOMICS – I

(2017 –2018 batch onwards)

Time : Three hours Maximum : 100 marks

SECTION A — (10 × 3 = 30 marks)

Answer ALL the questions.

1. Explain the term circular flow of income.

2. Mention the various issues in national income accounting.

3. Bring out the concept of potential output.

4. How is equilibrium level of income determined under the Keynesian system?

5. Write a note on 'Rigid wages'.

6. Give the meaning of Monetary policy.

7. Explain the various components of aggregate demand.

8. Point out the role of Fiscal policy in multiplier.

9. Discuss the determinant of the money supply.

10. State the meaning of Liquidity trap.

SECTION B — (5 × 6 = 30 marks)

Answer any FIVE questions

11. Explain the nature and scope of macro Economics.

12. Discuss the various concepts of National income.

13. Distinguish between the frictional and structural unemployment.

14. What are the factors affecting output?

15. Examine the quantity theory of money.

16. Explain the concept of balanced budget multiplier.

17. Discuss the relationship between bond prices and Interest rate.

18. Evaluate the Keynesian Liquidity preference theory.

SECTION C — (2 × 20 = 40 marks)

Answer any TWO questions.

19. Evaluate the difference methods of measuring national income.

20. " Supply creates its own demand". Critically examine this statement.

21. Discuss the various implications of increase in money supply.

22. " The level of employment is determined by the level of income which is turn depends upon aggregate demand". Comment.

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EC 32 CS

B.A. DEGREE EXAMINATION, SEPTEMBER 2020.

Third Semester

Economics

MACRO ECONOMICS — I

(From 2017–18 Batch Onwards)

Time : Three hours Maximum : 75 marks

SECTION A — (10 × 2 = 20 marks)

Answer ALL questions.

1. Draw liquidity trap.
2. Define National Income.
3. Define Macro Economics.
4. Name any two functions of Money.
5. What do you meant by tax multiplier?
6. What is circular flow of income?
7. What is classical economics?
8. Define social accounting.
9. What is static multiplier?
10. What is real balance effect?

SECTION B — (5 × 5 = 25 marks)

Answer any FIVE of the following questions.

11. Explain the determination of output and employment.

12. Discuss the permanent income hypothesis.

13. Write short notes on input-output transactions analysis of national income accounting.

14. Distinguish between Micro and Macro economics.

15. Explain the difficulties in measuring national income.

16. Analyse and explain Say's Law of Market.

17. Explain the features of Money market.

18. What are the motives by holding money?

SECTION C — (3 × 10 = 30 marks)

Answer any THREE of the following questions.

19. Explain the classical theory of employment. In what grounds Keynes criticized it?

20. Define circular flow of income and explain its two sector model.

21. Examine critically the relation between MEC and MEI.

22. Discuss the determinants of Money Supply.

23. Explain the methods of measuring National Income.

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22. Discuss the Cambridge Cash Balance Approach to the Quantity Theory of Money. How far it is superior to the cash transaction approach?

23. Is liquidity preference satisfying the speculative the speculative demand for money alone which is interest elastic, or other liquidity preference also? Give reasons for your answer.

EC 32 CS

B.A. DEGREE EXAMINATION,
MARCH/APRIL 2021.

Third Semester

Economics

MACRO ECONOMICS – I

(From 2017-18 batch onwards)

Time : Three hours Maximum : 75 marks

PART A — (10 × 2 = 20 marks)

Answer ALL questions.

All questions carry equal marks.

1. Define - Macro Economics.

2. What do you mean by national Income?

3. What is meant by structural employment?

4. Differentiate, briefly, between actual and potential output.

5. Define J.B.Say' s Law of Demand.

6. What do you understand by Rigid wages?

7. State the meaning of Balanced budget multiplier?

8. What is aggregate demand?

9. Define - Liquidity Trap.

10. What do you mean by supply of money?

PART B — (5 × 5 = 25 marks)

Answer any FIVE questions, All the question carry equal marks.

11. Explain the usefulness of National income in analyzing an economy's aggregate behaviour.

12. Which aspects of the analysis of the economy wide magnitudes are 'macro' and which aspect static? Suitable illustrate your answer.

13. Examine and analyse the causes for frictional unemployment.

14. What are the main propositions of classical theory of employment? Explain.

15. Explain how balanced budget multiplier operates when a lumpsum tax and a proportional income tax is levied?

16. How has Keynes correlated money and rate of interest on the one hand and rate of interest, employment and prices on the other hand?

17. Make a brief description on the relationship between bond prices and interest rate.

18. Critically discuss the applicability of Keynes theory of employment in economically underdeveloped countries.

PART C — (3 × 10 = 30 marks)

Answer any THREE questions.

All questions carry equal marks.

19. In a three sector economy 'like any other sector in the economy, the government involved in many activities' - Comment.

20. What are the factors affecting national output? Explain.

21. State and explain the main proposition of J.B.Say's law. On what grounds Keynes criticized it?

EC 32 CS

B.A. DEGREE EXAMINATION, JANUARY 2023.

Third Semester

Economics

MACRO ECONOMICS – I

(From 2017-18 batch onwards)

Time : Three hours Maximum : 75 marks

SECTION A — (10 × 2 = 20 marks)

Answer ALL questions.

1. What is Macroeconomics?

2. Mention the names of the sectors in a four sector economy.

3. Give the meaning of potential output.

4. State the meaning of full-employment in economics.

5. Write the Say's Law of Market.

6. What do you mean by Monetary Policy?

7. What is effective demand?

8. Define the term multiplier.

9. Distinguish velocity of money from supply of money.

10. What is liquidity trap?

SECTION B — (5 × 5 = 25 marks)

Answer any FIVE questions.

11. Describe the nature and scope of Macroeconomics.

12. Briefly analyse the issues in national income accounting.

13. Examine the factors affecting output level.

14. Observe the key features of Classical system and Classical Revolution.

15. Explain the implications of Say's Law of Market.

16. Examine the different components of aggregate demand in Keynesian Model.

17. Evaluate the relationship between bond prices and interest rates.

18. Examine the implications of increase in the money supply.

SECTION C — (3 × 10 = 30 marks)

Answer any THREE questions.

19. Discuss the different methods of measuring national income.

20. What is unemployment? Examine nexus between unemployment and inadequate demand.

21. Critically examine the Quantity Theory of Money.

22. Describe the process of determination of equilibrium level of income under Keynesian Model.

23. Analyse the relationship among money supply, money demand and rate of interest.

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EC 31 CS

B.A. DEGREE EXAMINATION, SEPTEMBER 2020.

Third Semester

Economics

MICRO ECONOMICS – II

(From 2017–18 Batch Onwards)

Time : Three hours Maximum : 75 marks

SECTION A — (10 × 2 = 20 marks)

Answer ALL questions.

1. Write the term imperfect market forms.

2. What is meant by price discrimination?

3. State the term Variable Cost Pricing.

4. What is meant by minimum support price?

5. Write the concept of collective bargaining.

6. Define Quasi-rent.

7. What is welfare economics?

8. What is maximum economic welfare?

9. State the meaning for uniqueness of general equilibrium.

10. When the equilibrium of exchange is attained?

SECTION B — (5 × 5 = 25 marks)

Answer any FIVE questions.

11. What condition must be present for price discrimination to be possible under monopoly?

12. Is it true under monopolistic competition firms posses much "excess capacity" and yet remain "undersized".

13. Explain the going rate pricing theory. Bring out its strong points and limitations.

14. Outline the pricing procedure by "rate of return pricing method" and bring out its merits and demerits.

15. How is the problem of distribution solved with the help of Euler's theorem? Explain it fully.

16. Profits are generally associated with the dynamic factors of change and uncertainty. Comment upon the statement. Bring out clearly the modern view on the theory of profits.

17. Briefly explain the problems of uniqueness, stability and existence of general equilibrium.

18. Is there any difference between positive economics and welfare economics? What are the special difficulties which have to be faced in the study of welfare economics?

SECTION C — (3 × 10 = 30 marks)

Answer any THREE questions.

19. Describe with diagrams the main characteristics of an oligopolistic market and equilibrium of a firm facing kinked demand curve.

20. Critically discuss the marginal productivity theory of distribution.

21. Outline a practical pricing method based on demand, cost and competitive conditions of a product.

22. What are the various conditions of pareto optimality? What are the hindrances in the way of arriving at a situation of pareto optimality?

23. Illustrate graphically the 2 × 2 × 2 general equilibrium model.

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22. Critically analyse the Walrasian General Equilibrium model. Is it determinate?

23. State the distinctions between Positive and welfare economics and examine the criteria of value judgements.

EC 31 CS

B.A. DEGREE EXAMINATION, MARCH/APRIL 2021.

Third Semester

Economics

MICRO ECONOMICS — II

(From 2017 – 18 batch onwards)

Time : Three hours Maximum : 75 marks

PART A — (10 × 2 = 20 marks)

Answer ALL questions.

All questions carry equal marks.

1. What is Duopoly?

2. What do you understand by collusive price leadership?

3. Define - Peak load Pricing.

4. What do you understand by Break Even pricing?

5. Define- Quasi Rent.

6. Distinguish, briefly, the difference between real wage and nominal wage.

7. What do you mean by value judgement?

8. What do you understand by Pareto's optimum welfare?

9. State the meaning of General Equilibrium?

10. Define-partial equilibrium.

PART B — (5 × 5 = 25 marks)

Answer any FIVE questions.

All questions carry equal marks.

11. State and show in diagram the conditions of long run equilibrium of the firm and industry under perfect competition.

12. How does a monopolist fix the price of a product? Is it inevitable that the monopoly price is higher than the competitive price?

13. Enumerate the various advantages of Going Rate Pricing.

14. Discuss how wages and the volume of employment are determined in an industry under collective bargaining by labourers.

15. Explain how profits are dynamic in their origin and institutional in their appropriation.

16. Analyse and examine the problems of uniqueness stability and existence of general equilibrium.

17. State and critically apprise the Kaldor -Hicks criterion for an improvement in general welfare.

18. What are the conditions of Pareto optimality? Explain.

PART C — (3 × 10 = 30 marks)

Answer any THREE questions.

All questions carry equal marks.

19. Some economist have argued that the demand curve facing an oligopolist must have a kink in it? Show in a diagram the kinky demand curve and the equilibrium of a firm facing such curve.

20. Explain and analyse the concept of pricing for a rate of return with illustration.

21. "Rent is a surplus accruing to any unit of a factor of production over and above the income just necessary for keeping that unit in its present operation". Discuss.

22. Two independent samples of 8 and 7 gave the following values:

Sample A : 9 22 13 11 15 9 12 14

Sample B : 16 12 10 14 9 8 10

Examine the difference between the means of the two samples is significant at 5% level.

23. Discuss the chi–square test of goodness of fit of a theoretical distribution to an observed frequency distribution. State the conditions for the validity of χ^2 –test.

EC 33 CS

B.A. DEGREE EXAMINATION, NOVEMBER 2018.

Third Semester

Economics

STATISTICAL METHODS – II

(2017 – 18 Batch onwards)

Time : Three hours Maximum : 75 marks

PART A — (10 × 2 = 20 marks)

Answer ALL the questions.

1. What do you mean by probability?

2. State the addition rule.

3. Distinguish between discrete and continuous random variable.

4. What are the properties of Binomial distribution?

5. What do you mean by Standard error?

6. Give the meaning of point and interval estimation.

7. Differentiate the concepts of statistic and parameter.

8. What is mean by null hypothesis?

9. Give the meaning of statistical inference?

10. What do you mean by Regression?

PART B — (5 × 5 = 25 marks)

Answer any FIVE questions.

11. State the conditional probability with illustration.

12. What are the limitations of classical definition?

13. What are the properties of normal distribution?

14. Discuss central limit theorem.

15. Explain the properties of a good estimator in test of significance.

16. What are the procedure of testing a hypothesis?

17. In a sample of 400 populations from a village 230 were found to be eaters of vegetarian and the rest non vegetarian items. Can we assume that both vegetarian and non vegetarian items are equally popular.

18. A random sample of 27 pairs of observations from a normal population gave a correlation coefficient of 0.6. Is this value of correlation coefficient significant?

PART C — (3 × 10 = 30 marks)

Answer any THREE questions.

19. Analyse the advantages and limitations of non parametric test.

20. Critically evaluate the various schools of thought which have define probability.

21. Fit a Poisson distribution to the following data and calculate the theoretical frequencies.

X:	0	1	2	3	4
f:	123	59	14	3	1

EC 34 CS

B.A. DEGREE EXAMINATION, NOVEMBER 2018.

Third Semester

Economics

ECONOMICS OF INSURANCE

(2017-18 batch onwards)

Time : Three hours Maximum : 75 marks

SECTION A — (10 × 2 = 20 marks)

Answer ALL questions.

1. What are the miscellaneous principles of insurance?

2. What are the functions of insurance?

3. Give the meaning of insurance destiny.

4. What is elasticity of demand for insurance?

5. How risk differs from uncertainty?

6. Why insurance premiums are collected?

7. Who is an insurance broker?

8. What are the roles of third party administrators?

9. Why banks enter into insurance?

10. What is individual financial planning?

SECTION B — (5 × 5 = 25 marks)

Answer any FIVE questions.

11. What are the general principles of insurance?

12. Discuss the various principles of insurance.

13. Why pricing of insurance is important?

14. Examine the social benefits of insurance.

15. Explain risk management of life insurance companies.

16. Give the specific functions surveyor and loss assessors.

17. In what way insurance facilitates financial planning?

18. Give an account on implications of IT treatment in insurance.

SECTION C — (3 × 10 = 30 marks)

Answer any THREE questions.

19. Classify insurance based on the nature and purpose of insurers.

20. Examine the factors affecting insurance consumption.

21. Give an outline on risk management of life insurance company.

22. Critically examine the code of conduct for the insurance brokers.

23. Match and evaluate insurance vis-a-vis capital markets.

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20. If the probability of defective bolts is 0, 1 Find

(a) the mean and standard deviation for the distribution of defective bolts in a total of 500 and

(b) the moment coefficient of skewness and kurtosis of the distribution.

21. Describe the Central Limit Theorem.

22. From the Adult male population of seven large cities random samples of married and unmarried men as given below were taken. Can it be said that there is a significant variation among the people of different cities in the tendency to marry?

City :	A	B	C	D	E	F	G	Total
Married :	170	285	165	106	153	125	146	1150
Unmarried :	40	125	35	37	55	35	33	360
	210	420	200	143	208	160	170	1510

23. Explain the types, properties of a good estimator and how with you proceed to construct an interval estimate of the mean of normal population with known variance?

EC 33 CS

B.A. DEGREE EXAMINATION, SEPTEMBER 2020.

Third Semester

Economics

STATISTICAL METHODS — II

(From 2017–18 Batch Onwards)

Time : Three hours Maximum : 75 marks

SECTION A — (10 × 2 = 20 marks)

Answer ALL questions.

1. Define Probability.
2. When are two events said to be independent in the probability sense?
3. What is a Binomial distribution?
4. Write the two properties of Normal distribution.
5. What is sampling distribution of mean?
6. What do you mean by estimation?
7. Write the probability density function.
8. Define Null Hypothesis.
9. What are the basic three conditions for the application of χ^2 test?
10. What are non-parametric tests?

SECTION B — (5 × 5 = 25 marks)

Answer any FIVE questions.

11. State and prove the multiplicative theorem of probability. How is the result modified when the events are independent?

12. A certain production process items that are 10% defective. Each item is inspected before supplying to customers but the inspector incorrectly classifies an item 10% of the time. Only items classified as good are supplied. If 820 items have been supplied in all, how many of them are expected to be defective?

13. Under what circumstances the Poisson distribution is observed?

14. The incidence of a certain disease is such that on the average 20% of workers suffer from it. If 10 workers are selected at random, find the probability that

    (a) Exactly 2 workers suffer from the diseases.

    (b) Not more than 2 workers suffer from the disease.

    Calculate the probability upon fourth decimal place.

15. What are the principle steps in a sample survey?

16. Explain the procedure of Testing Hypothesis.

17. In a random sample of 1,000 persons from town A, 400 are found to be consumers of wheat. In a sample of 800 from town B, 400 are found to be consumers of wheat. Do these data reveal a significance difference between town A and town B, so far as the proportion of wheat consumers is concerned?

18. The life time of electric bulbs for a random sample of 10 from a large consignment gave the following data :

Item :	1	2	3	4	5
Life in 1000 hrs. :	4.2	4.6	3.9	4.1	5.2

Item :	6	7	8	9	10
Life in 1000 hrs. :	3.8	3.9	4.3	4.4	5.6

Can we accept the hypothesis that the average life time of bulb is 4000 hrs.

SECTION C — (3 × 10 = 30 marks)

Answer any THREE questions.

19. In a bolt factory machines A, B and C manufacture respectively 25%, 35% and 40% of the total production. Of their output 5, 4 and 2% are defective bolts. A bolt is drawn at random from the production and is found to be defective. What is the probability that it was manufactured by machines A, B and C?

20. Calculate the first four moments about the mean and also the value of β_1 and β_2 from the following data:

Marks :	0-10	10-20	20-30	30-40
No. of students :	8	12	20	30
Marks :	40-50	50-60	60-70	
No. of students :	15	10	5	

21. A random sample of size 16 has 53 as mean. The sum of squares of the deviations taken from mean is 135. Can this sample be regarded as taken from the population having 56 as mean? Obtain 95% and 99% confidence limits of the mean of the population

(for $\upsilon = t_{0.05}$=2.13 for $\upsilon = 15$ $t_{0.01}$ = 2.95).

22. "The procedure of testing hypothesis requires a researcher to adopt several steps". Describe in brief all such steps.

23. To test the significance of the variation of the retail prices of a commodity in three principle cities, Bombay, Culcutta, and Delhi four shops were chosen at random in each city and prices observed in Rupees were as follows.

Bombay	16	8	12	14
Calcutta	14	10	10	6
Delhi	4	10	8	8

Do the data indicate that the prices in the three cities are significantly different?

EC 33 CS

B.A. DEGREE EXAMINATION,
MARCH/APRIL 2021.

Third Semester

Economics

STATISTICAL METHODS – II

Time : Three hours Maximum : 75 marks

SECTION A — (10 × 2 = 20 marks)
Answer ALL the questions.
All questions carry equal marks.

1. Define- Baye's Rule of Probability.
2. A bag containing 10 black and 20 white balls, a ball is drawn at random. What is the probability that is black?
3. What do you understand by Binomial Distribution?
4. Define- Kurtosis.
5. What is point estimation?
6. Define -Sampling.
7. What is the principal objective of F test?
8. What is meant by Hypothesis?

9. Write a Brief note on Goodness of Fit.

10. What is Regression?

SECTION B — (5 × 5 = 25 marks)
Answer any FIVE questions.
All questions carry equal marks.

11. A person is known to hit the target in 3 out of 4 shots, whereas another person is known to hit the target in 2 out of 3 shots. Find the probability of the target being hit at all when they both try.

12. A bag containing 3 black and 5 white balls . Two balls are drawn at random one after the other without replacement. Find the probability that both balls drawn are black.

13. A coin is tossed six times. What is the probability of obtaining four or more heads?

14. Define Skewness. When does a distribution get positively and negatively skewed?

15. "if the sample results are to have any worthwhile meaning it is necessary that a sample possess certain essential"- What are the essentials?

16. Describe briefly the important parametric tests used in context of testing hypothesis. How such tests differ from non -parametric tests? Explain.

17. The life item of electric bulb for a random sample of 10 from a large consignment gave the following data

Item	1	2	3	4	5
Life of 000 hrs	4.2	4.6	3.9	4.1	5.2
Item	6	7	8	9	10
Life of 000 hrs	3.8	3.9	4.3	4.4	5.6

Can we accept the hypothesis that the average life time of bulps is 4000hrs.

18. Illustration: in a correlation study the following values are obtained.

	X	Y
Mean	35	85
Standard Deviation	11	8
Coefficient of correlation	0.66	

Find the regression equations of Y on X.

SECTION C — (3 × 10 = 30 marks)
Answer any THREE questions.
All questions carry equal marks.

19. A and B play for a prize of Rs 1,000. A is to throw a dice first and is to win if he throws 6. If he fails B is to throw and is to win if he throws 6 or 5. If he fails, A is to throw again and to win if he throws 6, 5 or 4 and so on. Find their respective expectations.