

2M/ECO-150 Syllabus-2023

2 0 2 4

(July/August)

FYUP : 2nd Semester Examination

ECONOMICS

(Major)

(Macroeconomics—I)

(ECO-150)

Marks : 75

Time : 3 hours

*The figures in the margin indicate full marks
for the questions*

Answer **five** questions, taking at least **one**
from each Unit

UNIT—I

1. Differentiate between NNP at market price and NNP at factor cost. Explain in detail the method of measuring national income using the income method. 5+10=15

(2)

2. Differentiate between real flow and money circular flow. Describe the circular flow of income in a three-sector economy. 5+10=15
3. What is green accounting? Discuss the advantages and limitations of green accounting. 3+6+6=15

UNIT—II

4. Discuss the classical theory of employment. What are the main criticisms against it? 10+5=15
5. (a) Explain the concepts of average propensity to consume and marginal propensity to consume.
- (b) Use diagrams and discuss the relationship between APC and MPC for the given consumption functions :
- (i) $C = a + bY$
- (ii) $C = bY$ 5+5+5=15
6. Explain MEC and prospective yield. Discuss the factors affecting MEC. 4+4+7=15

(3)

UNIT—III

7. Critically discuss Fisher's transaction approach to money. 15
8. Show the process of credit-creation by commercial banks. What are the limitations? 10+5=15
9. Discuss the causes of demand-pull inflation. Explain the fiscal policy measures to curb inflation. 9+6=15

UNIT—IV

10. Critically discuss Hawtrey's theory of trade cycles. 15
11. (a) Distinguish between balance of trade and balance of payments.
- (b) What are the major components of the Current Account and Capital Account? 5+5+5=15
12. Highlight the features of the depression phase of a trade cycle. What monetary measures should be adopted during depression? 5+10=15
