M.A. (FINAL) EXAMINATION 2016 HELD IN 2017

ECONOMICS (PAPER 1)

MACRO ECONOMICS

Time: 3 hours   Max Marks: 100

Instructions

1) Attempt any FIVE questions

2) All questions carry equal marks

Q1   Explain different methods of measurement of GDP.

Q2   "Money is more important in Keynesian system than in classical system." To what extent do you agree? Explain

Q3   What are the major factors that determine the output and Employment level in classical model? What role does aggregate demand has in determining output and employment?

Q4   In Solow growth model how does the savings rate affect the steady-state rate?

Q5   (a) In the simple Keynesian model, an increase in autonomous expenditure will cause equilibrium income to increase by multiple of this increase. Elaborate

(b) Explain by open economy multiplier is smaller than the closed economy multiplier

Q6   What factors determine the slope and shifting of IS and LM curves? Explain

Q7   Analyze the effect of a reduction of income tax on labor market equilibrium and the aggregate supply of output in the classical model

Q8   Write short notes on any TWO of the following

i) Relationship between inflation and unemployment

ii) Quantity theory of money

iii) Permanent income hypothesis of consumption

iv) Liquidity trap

M.A. (FINAL) EXAMINATION 2017 HELD IN 2018

ECONOMICS (PAPER I)

MACRO ECONOMICS

Time: 3 hours   Max Marks: 100

Instructions:

(1) Attempt any FIVE questions

(2) All questions carry equal marks

Q1   (a) What is Gross Domestic Product? What are the three approaches to its calculation? Why we get the same answer through all these approaches?

        (b) What is Gross National Product? Explain the difference between nominal and real GDP. How can we calculate real GDP?

Q2   Derive the aggregate demand curve using the equilibrium of the money market and goods market

Q3   (a) Define and explain how we calculate the marginal propensity to consume and the marginal propensity to save

        (b) If real GDP and aggregate expenditure are less than equilibrium expenditure, what happens to farmer's invention? How do firms change their production?

Q4   What are the major components of government outlets? What are the major sources of government revenues? Explain how fiscal policy affects the overall economic activity?

Q5   (a) What is production function? What factors shift a nation's production function overtime? The slope of production function is positive but it declines over the time. Why?

        (b) Define full employment level of output. How full employment level of output is affected by increase in labor supply by a beneficial supply shock?

Q6   What are the causes of the unemployment in a market economy? What are the policy measures that may be used to reduce the scale of this problem?

Q7   Write short notes on any two of the following

        i) Money multiplier

        ii) Phillips curve

        iii) Government budget deficit

M.A. (FINAL) EXAMINATION 2018 HELD IN 2019

ECONOMICS (PAPER I)

MACRO ECONOMICS

Time: 3 hours   Max Marks: 100

Instructions

1) Attempt any five questions

2) All questions carry equal marks

Q1   (A) Using National Income Accounting Framework explain the circular flow of income / expenditure considering the case of a four sector economy.

        (B) Explain the concept of injections and leakages in the circular flow of national income. How do you think they affect the equilibrium?

Q2   (A) Explain the concept of production function. What will happen to the total production of a country if the amount of labor is increased by keeping everything else constant?

        (B) Compare the concepts of actual and potential GDP. How will they differ if the economy reaches to the full employment level?

Q3   (A) What is business cycle? Draw a hypothetical graph of business cycle labelling the 5 phases of the cycle

        (B) Explain what is happening during each phase of the cycle with output, employment and inflation?

Q4   (A) Explain the concept of aggregate demand curve. Also draw a graph of an aggregate demand curve and explain the reasons for its slow.

        (B) Why long run aggregate supply curve is vertical? Explain.

Q5   Define what the multiplier is and explain how and why it works.

Q6   Discuss the difficulties of controlling inflation. Should government aim at controlling inflation even though it may cause recession in the economy?

Q7   What are the major components of government outlets? What are the major sources of government revenues? Explain how fiscal policy affects the overall economic activity.

Q8   Explain the concept of monetary policy. Also discuss the effects of an increase in interest rate on economy.