



Roll No.....

End Semester Examination, December 2024
B.A. (HONORS/Honors with Research) in Economics) I Semester
Macro Economics -I (HUES 103)

Time: 2.5 hrs.

Max Marks: **50**

Note: *All Questions are compulsory. Marks are indicated against each question.*

PART-A

Q.1 Attempt any 5 questions. Each question carries 2 marks.

- | | |
|---|----------------|
| (a) What do you mean by macroeconomics? | [CO-1] [L-1] 2 |
| (b) Define GDP and explain its importance. | [CO-1] [L-1] 2 |
| (c) What is the difference between final goods and intermediate goods | [CO-1] [L-2] 2 |
| (d) What is meant by the circular flow of income and expenditure? | [CO-1] [L-1] 2 |
| (e) What do you understand by injections in the circular flow of income and what is the significance? | [CO-1] [L-2] 2 |
| (f) Explain the concept of actual GDP and potential GDP. | [CO-1] [L-1] 2 |
| (g) Define propensity to consume define marginal propensity to consume | [CO-1] [L-1] 2 |

2x5

PART-B

- Q.2 Discuss various components of GDP and Analyze the limitations of GDP in measuring the well-being of an economy. [CO-2] [L-4] **10**

OR

What is the consumption function? What happens to aggregate expenditure when the consumption function shifts? [CO-2] [L-3] **10**

- Q.3 Compare and contrast Real GDP and Nominal GDP. Explain the significance of the GDP deflator in economic analysis. [CO-3] [L-2] **10**

OR

Critically examine the Keynesian theory of income determination. How this theory is different from the classical theory and why?

[CO-3] [L-4] **10**

- Q.4 Explain the classical theory of employment. Discuss the main criticism of the theory. [CO-4] [L-4] **10**

OR

Write a detailed note on "Circular flow of income in the open economy." [CO- 3] [L-3] **10**

- Q.5 Compare and contrast absolute and relative income hypothesis. What is their relevance in the real world. [CO-5] [L-3] **10**

OR

- . Explain the concept of the investment multiplier and differentiate between its static and dynamic versions
[CO- 5] [L-4] **10**