

BACHELOR OF ARTS EXAMINATION, 2023

(1st Year, 2nd Semester)

ECONOMICS

[**MACRO ECONOMICS**]

(**GENERAL ELECTIVE COURSE**)

Time : Two Hours

Full Marks : 30

Answer any Three Questions

10 X 3 =30

1. Mention the assumptions considered in a Simple Keynesian Model of National Income Determination. Suppose Investment is autonomous. What is the meaning of it?
How can you get the Equilibrium Level of National Income in a Simple Keynesian Model where the investment is autonomous? Prove the stability condition of the Equilibrium. 3+5+2 = 10
2. What is Say's law? Present a brief exposition on the Quantity Theory of Money. Identify the assumptions associated with it and interpret them. 4+6 =10
3. Explain 'Neutrality of Money' in the Classical System. 10
4. Explain IS curve and LM curve. Which variables will be determined in the IS-LM framework and how? Interpret the equilibrium condition. 3+5+2 = 10
5. (i) Explain the difference between 'Nominal GNP' and 'Real GNP'.
(ii) Define the importance of the 'Value Added Method' during the time of calculation of the National Income of an economy '
(iii) How do you calculate the Per capita Income of an Economy? 3 + 5+2 =10

[Turn over