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School of Liberal Education

Master of Arts in Economics
Mid Term Examination - Nov 2023

Duration : 90 Minutes
Max Marks : 50

Sem I - K1PN102T - Advanced Macro EconomicsGeneral Instructions

Answer to the specific question asked

Draw neat, labelled diagrams wherever necessary

Approved data hand books are allowed subject to verification by the Invigilator

- 1) Interpret the term "Circular flow of income". K2 (2)
- 2) Define the term accelerator with an example. K1 (3)
- 3) Show the relationship between investment and economic growth. K2 (4)
- 4) "The level of employment is determined by the level of income which in turn depends upon aggregate demand" Illustrate. K2 (6)
- 5) Construct and explain the different phases of trade cycle. K3 (6)
- 6) Identify and examine the methods of measurement used to calculate GDP in an economy. K3 (9)
- 7) Suppose the GDP deflator increases by 10%, and analyze its effects on real GDP and inflation. K4 (8)
- 8) Analyze the difference between national income concepts and aggregates, such as Gross National Product (GNP) and Net National Product (NNP). K4 (12)

OR

- Examine the importance of GDP as a yardstick for an economy's performance. K4 (12)