

2m/ECO-150 Syllabus-2023

2026

(May-June)

FYUP : 2nd Semester Examination

ECONOMICS

(Minor)

(**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. Explain the circular flow of income in a four-sector model. What are the leakages possible in such a model? 12+3=15
2. What is green accounting? What are the objectives of green accounting? Explain the methods of calculating green accounting by the SEEA method. 2+5+8=15

26D/1585

(Turn Over)

(2)

3. (a) Define national income. Explain the expenditure method of calculation of national income.

(b) Calculate the NDP from FC (factor cost) :

Particulars	₹ (in crores)
GNP at MP	6,000
Subsidies	200
Depreciation	100
Net factor income from abroad	400
Indirect tax	300
	2+8+5=15

UNIT—II

4. Explain briefly the Classical Theory of Employment. Point out the limitations of the Classical Theory of Employment. 10+5=15
5. Explain the role of effective demand in determining equilibrium employment level. 15
6. What is the marginal efficiency of capital? What are the factors determining MEC? 5+10=15

UNIT—III

7. Explain Fisher's quantity theory of money with its limitations. 8+7=15
8. Describe the quantitative tools of a central bank to control credit. What are some of their limitations in a developing country? 12+3=15

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(Continued)

(3)

9. What is inflation? Explain briefly the effects of inflation in the economy. 3+12=15

UNIT—IV

10. Critically examine the Hawtrey's theory of the trade cycle. 15
11. Describe how cheap bank credit leads to monetary over-investment in explaining economic fluctuations as given by Hayek. 15
12. (a) Differentiate between Balance of Trade and Balance of Payments.
(b) Explain the components of the Balance of Payments of a country.
(c) Explain the causes of disequilibrium in the Balance of Payments. 4+5+6=15

26D—5250/1585

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