

2018/SEM/ODD/ECOH-102/212

TDC Odd Semester Exam., 2018

ECONOMICS

(Honours)

(1st Semester)

Course No. : ECOH-102

(Macroeconomics—I)



Full Marks : 50

Pass Marks : 17

Time : 2 hours

The figures in the margin indicate full marks for the questions

Answer **five** questions, taking **one** from each Unit

UNIT—I

1. (a) "Comparative Statics is a special case of macrodynamics." Elaborate. 6
- (b) What is the essential feature of an economic system operating under static conditions? 4
2. (a) Explain the transition from micro-economics to macroeconomics. 5
- (b) Explain how macroeconomics describes the economy in terms of macroeconomic variables. 5

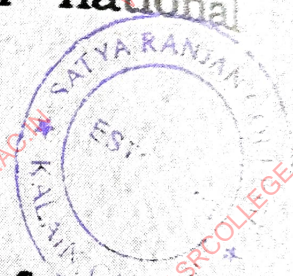
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UNIT—II

3. (a) State the concept of depreciation in the context of national income accounting.
- (b) Distinguish between factor income and transfer income.
- (c) Explain the preconditions needed to be taken while estimating national income by expenditure method.
4. (a) What do you mean by the problem of double counting in the context of the measurement of national income?
- (b) How this problem can be avoided with the help of value-added method?
- (c) Examine the usefulness of national income analysis.

UNIT—III

5. (a) "Full employment is a normal feature of a capitalist economy." Discuss.
- (b) On what grounds, Keynes rejected the Pigovian wage-adjusted mechanism?
6. (a) What are the policy implications of Say's law of markets?
- (b) How the level of employment and output are determined? Show with the help of classical model.



(3)

UNIT—IV



7. (a) What is effective demand? 2

(b) "Effective demand is a logical starting point of Keynes' theory of employment." Explain. 8

8. (a) Write short notes on the following : 3+3=6

(i) Involuntary unemployment

(ii) Underemployment

(b) Describe speculative demand for money. 4

UNIT—V

9. Examine critically the Life Cycle Consumption Hypothesis. 10

10. (a) Explain the forward and backward working of multiplier. 7

(b) What are its leakages? 3