

Tribhuvan University
Patan Multiple Campus
Department of Economics
Re -Pre-Board examination
2021

Master's Degree in Economics
Course Title: Macroeconomics
Code No: Eco 552
Semester: First

Full Marks :40
Pass Marks :20
Time: 2 Hrs.

Candidates are required to answer the questions in their own words as far as practicable.

Group (A)

Answer any TWO questions

(2 x 10 = 20)

1. Define national income. Discuss various concepts of national income.
2. Explain how the overall equilibrium is determined in the Classical system. What are the factors responsible for shifts in the equilibrium position?
3. Make a comparison between absolute and relative income hypotheses of income-consumption relationship.

Group (B)

Answer any FOUR questions

(4 x 5 = 20)

4. What are the problems of macroeconomic aggregation?
5. What is Say's law of markets? Discuss its policy implications in the present context.
6. How equilibrium rate of interest is determined in Keynes' liquidity preference theory?
7. What is consumption function? Show how the short-run and long-run consumption functions are reconciled.
8. What is accelerator principle? Does the present level of investment depends on the past level of income or output?

The End