

KATWA COLLEGE

DEPARTMENT OF ECONOMICS

2nd SEMESTER MAJOR INTERNAL EXAMINATION, 2024

PAPER NAME: INTRODUCTORY MACROECONOMICS

PAPER CODE- ECON2011

Answer any five (5) questions

(5*2=10)

1. Differentiate between GDP Deflator and CPI (Consumer Price Index).
2. What are the differences between GDP and GNP?
3. What are the different components of measuring national income under income method?
4. What do you mean by transfer payments?
5. What are the properties of Keynesian Consumption function?
6. What is investment multiplier in Keynesian system?
7. What do you mean by Balanced Budget Multiplier (BBM)?
8. Determine equilibrium income in Keynesian system.
9. Explain three motives of holding money in Keynesian system?
10. What you mean by M3 supply of money?