

SAMPLE QUESTION BANK FOR PRINCIPLES OF MACROECONOMICS

Note: 1 Attempt any five questions

Note: 2 Each question carries equal weightage

Duration: 3 hours

Maximum marks: 75

1. Distinguish between any two of the following:
 - a. Nominal Income and Real Income
 - b. Commodity money and Fiat money
 - c. Actual and potential GDP
 - d. Fiscal and monetary policy

2. Explain how the national income is estimated using expenditure approach in national income accounting.
3. Explain the limitation of GDP as a measure of social welfare.
4. Explain the process of credit creation under the multiple banking system.
5. Explain the multiplier process. How does it affect the equilibrium level of income?
6. Explain the impact of COVID-19 on main components of macroeconomics.