



OFFICE OF THE DEPUTY VICE CHANCELLOR
ACADEMICS, STUDENT AFFAIRS AND RESEARCH

UNIVERSITY EXAMINATIONS

2023/2024 ACADEMIC YEAR

FIRST YEAR SECOND SEMESTER MAIN EXAMINATION

FOR THE DEGREE OF BACHELOR OF EDUCATION ARTS (B.Ed Arts)

COURSE CODE: EDB 112

COURSE TITLE: MACROECONOMICS THEORY

DATE: 17TH APRIL 2024

TIME: 2:00 PM TO 5:00PM

INSTRUCTION TO CANDIDATES

- SEE INSIDE

THIS PAPER CONSISTS OF 3 PRINTED PAGES

PLEASE TURN OVER

- ii. Explain the concept of circular flow of income of an open economy and highlight its underlined assumptions using a diagram. (10 marks)

QUESTION FOUR

- a. Explain four measures that should be taken to eliminate a balance of payment deficit in an economy (8 marks)
- b. There are certain qualities that a commodity should possess for it to serve effectively as money. Describe these qualities (8 marks)
- c. Discuss any four limitations of macroeconomics (4 marks)

QUESTION FIVE

- i. Explain any two methods of computing national income account, taking precaution of the necessary adjustments in each case. (10 marks)
- ii. Explain the factors that influence the level of investment in the economy (10 marks)