



## **NATIONAL OPEN UNIVERSITY OF NIGERIA**

**University Village, Nnamdi Azikwe Express Way, Plot 91,  
Cadastral Zone, Jabi,  
Jabi, Abuja**

**Faculty of Agricultural Sciences**

**FIRST SEMESTER EXAMINATION: June/July**

**Programme: Agricultural Extension and Management**

**Course Code: AEM724**

**Course Title: Macroeconomics**

**Credit Unit: 2**

**Total Score: 100 Marks**

**Time Allowed: 2 Hours**

**Instruction: Answer any four (4) Questions**

1. List and explain the causes of cost-push inflation **(25marks)**
2. Unemployment is a big challenge to most developing countries. As an economic student, articulate the possibilities of ensuring full employment status **(25marks)**.
3. Many economists have argued that inducement to invest is not just a function of interest rate but include other associated variables. If this assertion is true explain these other variables **(25marks)** .
4. Explain vividly the factors that affect consumption **(25marks)**
5. Write short notes on the following
  - a. Absolute Income Hypothesis (AIH) **(4marks)**
  - b. The Relative Income Hypothesis (RIH) **(4marks)**
  - c. Permanent Income Hypothesis (PIH) **(4marks)**

d. Life Cycle Hypothesis (LCH) **(4marks)**

6. Explain the term unemployment. List and discuss the various types of unemployment **(25marks)**