

Code : 302103

BBA 1st Semester Theory Examination, 2017

Macro Economics

Time : 3 Hrs

Full Marks : 60

Instructions :

- (i) The questions are of equal value.
- (ii) There are Seven questions in this Paper.
- (iii) Attempt Five questions in all.
- (iv) Question Nos. 1 & 2 are compulsory.

Write **True** or **False** of any six of the following:

- (a) Macro dynamics presents a 'still' picture of the economy as a whole at a particular point of time.
- (b) Macroeconomics studies economic problem in aggregate of the economy. <http://www.akubihar.com>
- (c) Theory of economic growth dealing with the long-run growth of income is covered under macroeconomics.
- (d) National income is reflected in money terms.
- (e) Old age reliefs or social security allowances cannot be included in the national income of a country.
- (f) The 'national' and 'domestic' concepts of national income are due to depreciation of plants and machinery.

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- (g) Aggregate supply is the various amount of money which the entrepreneurs may receive from the sale of output at different employment levels.
- (h) According to the principle of effective demand, unemployment is not due to deficiency of effective demand.
- (i) Multiplier does not establish a relationship between change in investment and the resultant final change in income.
- (j) Autonomous investment refers to the investment which depends upon changes in the income level.

2. Answer any three of the following questions:

- (a) Introduce Macroeconomics.
 - (b) What do you know by macro statics?
 - (c) What is double entry system of national income accounts?
 - (d) Explain consumption function.
 - (e) Describe inflation.
3. Describe and distinguish Macro statics and macro dynamics.
 4. Explain how national income equilibrium level is determined by Effective demand and Effective supply.
 5. Describe relative income theory of consumption.
 6. What is marginal efficiency of capital? What factors influence it in a community?
 7. Explain monetary policy. Briefly discuss its instruments to control inflation.
