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Total No. of Questions : 07]

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**BBA (Sem. - 2<sup>nd</sup>)**  
**MACRO ECONOMICS**  
**SUBJECT CODE : BB - 202**  
**Paper ID : [C0208]**

[Note : Please fill subject code and paper ID on OMR]

Time : 03 Hours

Maximum Marks : 60

**Instruction to Candidates:**

- 1) Section - A is **Compulsory**.
- 2) Attempt any **Four** questions from Section - B.

**Section - A**

**Q1)** **(10 x 2 = 20)**

- a) Make a distinction between static and dynamic analysis.
- b) What is gross national product?
- c) What is demonstration effect?
- d) State Keynes psychological law of consumption.
- e) Mention the main instruments of monetary policy.
- f) What is cost push inflation?
- g) What are transfer payments?
- h) Define marginal efficiency of capital.
- i) What is induced investment?
- j) What is liquidity trap?

## Section - B

(4 x 10 = 40)

- Q2) What is the difference between micro and macro economics? Discuss the scope of macro economics.
- Q3) Explain the different methods used for the computation of Gross National Product?
- Q4) Critically evaluate Say's law of markets?
- Q5) Bring out the modifications made by recent theorists in the consumption-income relationship.
- Q6) The balanced budget is expansionary. Comment.
- Q7) Discuss the main instruments of fiscal policy in economic stabilization.

