AR-118

April-2024
BBA., Sem.-II
DSC-M-BBA-122 : Macro Economics for Managers

Time : 2 Hours]

[Max. Marks : 50

1.	(A)	What is Macro Economics ? Discuss its scope.	5
1.	(B)	Write a note on the circular flow of National Income in a two-sector model.	5

OR

1.	(A)	Discuss different methods of estimating National Income in brief.	5
1.	(B)	Explain different problems of National Income estimation.	5

2.	(A)	Write a detailed note on Pigou's wage cut theory.	5
2.	(B)	What is consumption function ? Explain consumption function in detail.	5

OR

2.	(A)	Write a detailed note on Say's Law of Markets.	5
2.	(B)	Define investment multiplier. Discuss the concept of investment multiplier in detail.	5

3.	(A)	Define a business cycle. Discuss its phases.	5
3.	(B)	What is Inflation ? Discuss its types.	5

OR

3.	(A)	What is Deflation ? Explain its effects.	5
3.	(B)	Explain different reasons contributing to stagflation.	5

4.	(A)	What is Fiscal Policy ? Discuss its instruments.	5
4.	(B)	Explain different types of deficits in the Government budget.	5

OR

4.	(A)	What is monetary policy ? Explain its objectives.	5
4.	(B)	Write a detailed note on Quantitative instruments of credit control in detail.	5

5. Multiple Choice Questions : (any **ten**)

(1) Who used the term macro economics for the first time ?
   - (a) Irving Fisher
   - (b) Adam Smith
   - (c) J.M. Keynes
   - (d) Ragnar Frisch

(2) Which of the following indicates National Income ?
   - (a) GDP_{MP}
   - (b) GDP_{FC}
   - (c) NDP_{FC}
   - (d) NNP_{FC}

(3) Difference between GDP_{MP} and NDP_{MP} is _____.
   - (a) NIT
   - (b) NFIA
   - (c) Depreciation
   - (d) None

(4) Supply creates its own demand – who gave this law ?
   - (a) J.S. Mill
   - (b) J.M. Keynes
   - (c) J.B. Say
   - (d) Adam Smith

(5) When did great depression begin ?
   - (a) 1928
   - (b) 1929
   - (c) 1930
   - (d) 1933

(6) Which of the following is a consumption function ?
   - (a) $S = f(c)$
   - (b) $C = f(y)$
   - (c) $C = f(s)$
   - (d) None

(7) How many phases a business cycle has ?
   - (a) Four
   - (b) Five
   - (c) Seven
   - (d) Eight

(8) Who introduced the concept of inflationary gap ?
   - (a) Keynes
   - (b) Pigou
   - (c) Marshall
   - (d) None

(9) 'During deflation prices tends to increase.' Whether the statement is true or false ?
   - (a) False
   - (b) True
   - (c) Partially true
   - (d) None

(10) Which of the following is an instrument of Fiscal Policy ?
   - (a) CRR
   - (b) Tax
   - (c) SLR
   - (d) Repo Rate

(11) Which of the following is an instrument of Monetary policy ?
   - (a) Tax
   - (b) Public expenditure
   - (c) Margin requirements
   - (d) None

(12) When _____ are deducted from Fiscal deficit we obtain primary deficit.
   - (a) taxes
   - (b) subsidies
   - (c) net exports
   - (d) interest payments