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**BBA (Sem.-IInd)**

# MACRO ECONOMICS

**Subject Code: BBA-202**

Time: 03 hours Maximum Marks: 60

Instructions to candidates:

1) Section-A is compulsory.

2) Attempt any **one** question from each unit of Section- B.

## Section-A

(10*2=20)

Q1 Write a short note:

(a) Define Macro economics?

(b) What is difference between GDP at market price and GDP at factor cost?

(c) State various determinants of consumption?

(d) Assumptions of Absolute Income Hypothesis?

(e) What is Induced Investment?

(f) State how MEC related to interest rate?

(g) Leakages of Multiplier?

(h) What is cost push inflation?

(i) Determinants of fiscal policy?

## Section-B

(4*10=40)

### UNIT-I

Q2 Discuss nature and scope of Macro Economics?

Q3 Explain different method employed in the measurement of National Income?

### UNIT-II

Q4 Critically evaluate Relative Income Hypothesis about the consumption function?

Q5 Discuss Classical Theory of Output and Employment?

### UNIT-III

Q6 What is multiplier? What are the importance and limitations?

Q7 Discuss the Keynesian approach with reference to interest rate determination?

### UNIT-IV

Q8 What type of monetary policy is suitable for prevention of inflation?

Q9 Critically evaluate Fisher's and Cambridge version of Quantity theory of money?

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