

Roll No.....

**BBA –2014**  
**MACROECONOMICS**  
**Paper Code (BBA-202)**  
**Paper Id. [C0208]**

**Time : 3 Hrs**

**Maximum Marks: 60**

**Attempt all the questions. Each carries 2 marks.**

1. Define Macroeconomics.
2. Differentiate between stocks and flows.
3. What is difference between personal income and disposable personal income?
4. What are sector accounts?
5. What is Aggregate demand function?
6. What do you mean by short run Consumption Function?
7. Differentiate between Net investment and Gross investment.
8. What is Foreign Trade Multiplier?
9. What is Inflationary Gap?
10. State the objectives of Fiscal policy.

**Section-B**

**Attempt any four questions. Each carries 10 marks.**

11. "A major task of macroeconomics is the explanation of what determines the economy's aggregate output of goods & services." Discuss.
12. What do you mean by National Income? Is National Income a true indicator of a country's economic prosperity?
13. Discuss in Detail the Permanent Income Hypothesis propounded by Milton Friedman.
14. Discuss the role & functions of money in the economy.
15. Explain the Demand Pull inflation and the Cost Push inflation.
16. Discuss the role which Fiscal policy can play in promoting economic stability in the economic system.

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