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Total No. of Pages : 02

Total No. of Questions : 09

B.Sc. Business Economics (BBE) (2015 to 2017) (Sem.-4)

MACROECONOMICS-II

Subject Code : BBE-403

M.Code : 74371

Time : 3 Hrs.

Max. Marks : 60

INSTRUCTIONS TO CANDIDATES:

1. SECTION-A is COMPULSORY consisting of TEN questions carrying TWO marks each.
2. SECTION-B consists of FOUR Sub-sections : Units-I, II, III & IV.
3. Each Sub-section contains TWO questions each, carrying TEN marks each.
4. Student has to attempt any ONE question from each Sub-section.

SECTION-A

- 1 . Answer briefly :
 - a) Define Aggregate Supply.
 - b) What is Frictional Unemployment?
 - c) What is 'Paradox of thrift'?
 - d) Define Bank Rate.
 - e) Distinguish between Direct Tax and Indirect tax.
 - f) What is nominal wage rigidity?
 - g) What are International Financial Markets?
 - h) What are overlapping wage contracts?
 - i) What are adaptive expectations?
 - j) Define rational expectations.

SECTION-B

UNIT-I

2. Explain the determination of rate of interest and level of income with the help of IS-LM technique.
3. Explain what is the relevance of Fiscal Policy in an underdeveloped economy?

UNIT-II

4. Why are Rational expectations known as model consistent expectations?
5. What is policy ineffectiveness proposition? On what grounds it has been criticized?

UNIT-III

6. What is an open economy? What are the advantages of an open economy?
7. Explain Dornbusch overshooting model. What are its assumptions?

UNIT-IV

8. Describe Solow-Swan theory of growth. What are its assumptions?
9. Explain Ramsey model of growth.

NOTE : Disclosure of Identity by writing Mobile No. or Making of passing request on any page of Answer Sheet will lead to UMC against the Student.