

Punjab Technical University
BBA Examination 2006-2007

BBA (203) (Old) (Semester. - 2nd) MACRO ECONOMICS 2007

Time : 03 Hours Maximum Marks : 75

Instruction to Candidates:

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

Section - A

(15 × 2 = 30)

Q1)

- a) Effective Demand.
 - b) Disequilibrium.
 - c) Gross National Product.
 - d) Private Income.
 - e) Aggregate Supply.
 - f) Define Tax Multiplier.
 - g) Static Vs. Dynamic Multiplier.
 - h) Absolute Income Hypothesis.
 - i) Consumption function.
 - j) Average Propensity to Consume.
 - k) Autonomous Investment.
 - l) Supply Price.
 - m) Business Expectations
 - n) Monetary Policy.
 - o) Public Expenditure.
- J-8011[S-9700428] P.T.O.

Section - B

(9 × 5 = 45)

- Q2) Explain in detail ?Economic Statics?.
- Q3) Discuss briefly the Sectoral Accounting method of measurement of National Income.
- Q4) Show with the help of a diagram how equilibrium level of output and employment is determined in keynesian System.
- Q5) List out the main problems of measurement of National Income.
- Q6) Explain the Income generation process through Dynamic Multiplier.
- Q7) Discuss in brief the working of Foreign Trade Multiplier.
- Q8) What are basic determinants of a consumption function?
- Q9) What is Income? Discuss the Permanent Income Hypotheses.
- Q10) Define MEC? Explain the measures to promote investment.
- Q11) Describe the cost push theory of inflation.
- Q12) Distinguish between Monetary and fiscal Polices.
- Q13) Explain in brief the classical approach in relation to interest rate determination.

