

Following Paper ID and Roll No. to be filled in your Answer Book.

PAPER ID : 9311

Roll
No.

--	--	--	--	--	--	--	--	--	--

Int. LLB Examination 2013-2014

(Second Semester)

MACRO ECONOMICS

Time : 3 Hours]

[Maximum Marks : 100

- Instructions :- (i) Attempt all sections.
- (ii) Section A carries 20 marks, Section B carries 30 marks and Section C carries 50 marks.

SECTION - A

20×1=20

Fill in the blanks. All parts are compulsory.

- (a) While the study of economic activities of individuals, households and business at the sub-national level is concern of, the study of economic activities of the national and global level is the concern of
- (b) The goal that recognizes a serious responsibility to future generations is the goal of

[P. T. O.

- (c) Questions about facts or “how things are” are questions, while questions about values and “how things should be” are questions.
- (d) Surplus and shortage are both instances of
- (e) The GDP measures the total of goods and services produced in a country over a period of time.
- (f) If the government uses tax cuts to expand the economy, it would be using
- (g) Social security payments that are paid by the government to households are an example of payment.
- (h) policy can be defined as the control of the cost and availability of money and credit in an economy.
- (i) In the traditional macro model, what households and firms intend to spend on consumption and investment is called
- (j) reduces the purchasing power of a rupee.

- (k) A measure of the productivity of all factors of production is productivity.
- (l) Assume that a nation is fully using every last one of its available resources in production. Then that nation would be operating at output.
- (m) The nominal interest rate minus inflation is the
- (n) A curve indicating the quantities that sellers are willing to offer at various prices is known as a (n) curve.
- (o) The three main macro-economic goals identified in this chapter are, and
- (p) A curve indicating the quantities that buyers are willing to purchase at various prices is known as a (n) curve.
- (q) The measure of GDP that reflects the actual value of goods and service produced by removing the effect of changes in prices is called GDP.
- (r) The fluctuations in the level of production between recessions on the one hand and booms on the other hand is called cycle.

- (s) The economist who believe that the Keynesian view holds in the short and medium run, but the classical view prevails in the long run, proposed a
- (t) The model of is an effective and a simple method to explain the working economy.

SECTION – B**3×1**

Note :- Answer any three questions out of five.

2. Explain the main macro-economic objectives.
3. What are the income flows between government and firms?
4. What is GNP and how is it different from NNP?
5. Is inflation a process or an effect?
6. What factors affect aggregate demand?

SECTION – C**12½×**

Note :- All questions are compulsory.

7. (a) What is Macro-Economics? How is it different from micro-economics?

OR

- (b) What is National Income Analysis? What are the different measures of National Income?
8. (a) How does the Government Act in the model of circular flow of income in an economy? Explain with the help of a diagram.

OR

- (b) What are the different types of unemployment? Explain with examples.
9. (a) Does inflation help reduce unemployment? Explain it with reference to Phillips curve.

OR

- (b) Explain the determinants of business fixed investment.
10. (a) What is meant by Fiscal policy? What are the three main functions of government under Fiscal policy?

OR

- (b) Define :
- (i) Cash flow
 - (ii) Supply of money
 - (iii) Effect of tax
