Special Exam, June 2019

BCOM (III Semester) End Examination, October-2018
GOVERNMENT COLLEGE OF COMMERCE, BORDA-MARGAO-GOA
S.Y.BCom
MACRO ECONOMICS (GE-4)

Time: 2 Hours
Total Marks: 80

Instructions:
(1) Attempt all questions.
(2) Figures to the right indicate full marks.
(3) Answer sub questions in Q1 & Q2 in not more than 100 words.
(4) Answer questions 3 to 6 in not more than 400 words.

Q. 1. Attempt any four of the following questions: (16 Marks)
   a) What are the components of aggregate expenditure?
   b) Explain the concept of Increase in demand.
   c) Explain any two determinants of aggregate supply.
   d) Write a brief note on the Natural rate of unemployment.
   e) Explain any two causes of inflation.
   f) What is Macroeconomics?

Q. II. Attempt any four of the following questions: (16 Marks)
   a) Explain the concept of Sacrifice Ratio.
   b) Differentiate between static and adaptive expectations.
   c) What is the difference between an Open and a Closed economy?
   d) How are savings and investment affected by the rate of interest?
   e) According to the economist J.M. Keynes, why do people demand money?
   f) Write a brief note on Residential Investment.

Q. III(a). With the help of flow charts, explain circular flow of money. (12 Marks)
   OR
Q. III(b). Write a note on the Aggregate Demand and Aggregate Supply Analysis.

Q. IV(a). Write a note on different types of Inflation. (12 Marks)
   OR
Q. IV(b) Explain the trade off between inflation and unemployment with the help of the
   Phillips Curve Analysis

Q. V(a) Write a note on the flow of goods, services, savings and investment in an open
   economy. (12 Marks)
   OR
Q. V(b). Explain the Mundel Fleming Model.

Q. VI(A). Explain any six determinants of Investment. (12 Marks)
   OR
Q. VI(b) Write a note on Tobin’s Theory of demand for real cash balances.