

Vidya Vikas Mandal's
Shree Damodar College of Commerce and Economics, Margao
SY BBA, Term VI, Term End Assessment, January 2024
Course: BBCB020: Macroeconomics Analysis for Management I

Duration: 90 Minutes

Maximum Marks: 25

Instructions: -

- i. All questions are compulsory; however internal choice is available.
- ii. Figures to the right indicate the maximum marks for the questions.

Q. 1. Write short notes on the following:

(3*5= 15 Marks)

- a) Importance of macroeconomics
- b) Aggregate supply
- c) Demand Pull and Cost Push inflation
- d) Induced Investment
- e) Structural unemployment and Frictional unemployment

Q.2. J.B. Say, proposed "supply creates its own demand." Therefore, there cannot be general overproduction and the problem of unemployment in the economy. With reference to the statement explain, Say's Law of market along with Determination of Output and Employment.

OR

Q.2. "Scottish philosopher and economist David Hume stated that prices would continue to rise as the supply of money increases, giving rise to massive price rises". Explain the meaning and causes of inflation.

(5 Marks)

Q.3. Assuming the X country is working under open economy model, where the government will spend its income on transfer payment and government expenditure. Explain with the help of a diagram how the economy will import and export under such circumstances.

(5 Marks)
