Subject: B.Economics III   [100 Marks]
Time: 3HR.   QP code: UBCOMFSIII.6.1
Date : 10/11/2023

1(a) Define   (10M)
 A.Keynesian economics.
 B Green GDP.
C Fiscal policy.
D GDP.
 E GNP
F APC.
G MPC.
 H MPS.
G Say's law.
 I. Monetary Policy

(b)MCQs   (7M)

1. The point where the aggregate demand and the aggregate supply curves intersect is called

(a) total demand (b) effective demand (c) equilibrium demand (d) non-equilibrium demand

2.According to Keynes to increase employment we have to increase aggregate

(a) supply (b) output (c) demand   (d) investment

3. Say's law "Suppy creates its own

(a) aggregate supply   (b) demand   (c) employment   (d) total spending

 4. The difference between GNP and NDP is

(a) depreciation   (b) taxes   (c) Comparative cost   (d) Formal cost

5.Open economy as opposed to close economy allows trade

(a) within the country   (b) between the countries (c) both within and between the countries

(d) between municipalities

 5._____ is the father of economics

(a)Adam Smith   (b)David Ricardo (c) R.F Khan (d) Keynes

6._____ is the father of macro economics

(a)Adam Smith   (b)David Ricardo (c) R.F Khan (d) Keynes

7._____ is the father of theory of multiplier

(a)Adam Smith   (b)David Ricardo (c) R.F Khan (d) Keynes

2(a)Write a note on trade cycle. Draw diagram and explain the terms in it.(10M)

(b)Explain types of circular flow of income. Draw flow diagrams for the same.(10M)
OR

(c) Structure of union budget diagram   (10M)

(d)Difference between Supply side economics Keynesian economics (10M)

3(a) Difference between NDP and NNP. Write the formula for the same.Explain the concept of Gross Value Added, market price and factor price. (10M)

(b) Write a note on 4 sector economy. Explain injections and leakage. Write an equation for the same.(10M)
OR

(c)Instrument of fiscal policy.(10M)

(d)Effects of economic expenditure (10M)

4 (a) Explain investment function. Explain Marginal efficiency of capital.(10M)

(b) Explain consumption functions. Explain savings and dissavings graphically. Expain motives/factors affecting consumption functions.(10M)
OR

(c) Write a short note on money supply.(10M)

(d) Write a note on inflation.(10M)

5 Write short notes on (any 4)   (20M)

A. Explain propensity to consume. Prove MPS+MPC=1
B. Capitalism and communism
C. Real and nominal GDP. Explain GDP deflator.
D. Meaning of money multiplier explain with formula
E. Write a note of Phillip curve
F. Public goods