

COMMERCE GE - II (MACRO ECONOMICS AND INDIAN ECONOMY)

Section - I

Questions of 1 Mark each

ANSWER THE FOLLOWING QUESTIONS IN ONE SENTENCE OR ONE WORD OR FILL IN THE BLANKS:

1. What do you mean by macro- economics ?
2. What do you mean by macro- economic goals?
3. Define mixed economy.
4. State one feature of Islamic economy.
5. The term 'Macro' has its origin in the Greek word _____ which means _____.
6. What do you mean by National Income?
7. $GDP_{MP} + \text{_____} = GNP_{MP}$.
8. $NDP_{MP} + \text{_____} = NNP_{MP}$.
9. $NDP_{FC} + \text{_____} = NDP_{MP}$.
10. What do you mean by real income?
11. What is the meaning of equilibrium?
12. Define the concept 'multiplier'.
13. What do you mean by Inflationary Gap?
14. Define deflationary gap.
15. What are the different components of four Sector Economies?
16. What do you mean by deficit budget?
17. Classical economists were in favour of _____ budget.
18. Modern economists are in favour of _____ budget.
19. What is the difference between government revenue and govt.'s income?
20. Define inflation.
21. Define deflation.
22. Monetary policy is adopted by whom?
23. What are the different types of public debt?
24. Is internal debt burdensome?
25. The economic policy adopted by government is _____ policy.

Section - II

Questions of Two marks each.

Answer the following questions in two or three sentences each:

1. Define Macro economics.
2. What are the components of macro economics?
3. State two features of socialistic pattern of economy.
4. Define capitalist economy.
5. What are the differences of national income and per capita income?
6. Point out the difficulties of measuring national income.
7. How per capita income is related to growth rate?
8. How consumption and savings are related to each other?
9. How three sectors closed economy are related to each other?
10. Explain two demerits of surplus budget.
11. What are the monetary policies?

12. What are the fiscal policies?
13. Define business cycle.
14. Define business cycle.
15. What do you mean by psychological law of consumption function?

Section – III

Questions carrying 3 Marks each

Answer the following questions within 75 words each

1. Explain the limitations of macro economics.
2. What do you mean by fallacy of aggregation?
3. Explain the features of capitalistic economy.
4. Explain the concept 'Private Property'.
5. What do you mean by 'Invisible Hand'?
6. Define GNP at factor cost.
7. Define net factor income from abroad.
8. Define national income as a measure of economic development.
9. Explain saving function.
10. Define consumption function.
11. Explain the implication of psychological law of consumption function.
12. Define merits and demerits of income tax.
13. Define inflationary gap.
14. Describe different types of govt.'s expenditure.
15. Define the role of RBI in combating inflation.

Section – IV

Questions carrying 7 Marks each

Answer the following questions within 500 words each

1. Bring out a difference between Micro and Macro economics.
2. Explain the features of mixed economy.
3. Explain the meaning and characteristics of Islamic Economy.
4. Explain different problems of measuring national income a country.
5. What is meant by multiplier? Discuss the process of income propagation in an economy.
6. What are the leakages of multiplier? Doe multiplier work in UDC?
7. Examine the circular flow of income, output and expenditure in a two sector, three sector and four sector economy.
8. Examine economic functions of the government.
9. Explain merits and demerits of deficit budget.
10. Explain the role of RBI in bringing stability in the economy.
11. Explain different sources of savings.
12. Describe different types of investments.
13. Explain the effect of inflation on production and distribution.
14. Elucidate different methods to check inflationary rise in price.
15. "Inflation is bad; deflation is worse; of the two deflation is inexpedient" substantiate it.