

**GUJARAT TECHNOLOGICAL UNIVERSITY**  
**MBA Integrated - SEMESTER– II EXAMINATION – WINTER 2022**

**Subject Code: 2527103****Date: 06/01/2023****Subject Name: Macro Economics****Time: 02:30 pm to 05:30 pm****Total Marks: 70****Instructions:**

1. Attempt all questions.
2. Make suitable assumptions wherever necessary.
3. Figures to the right indicate full marks.

- Q.1** (a) What is Macroeconomics? Explain origin and growth of macroeconomics in detail. 07
- (b) Macroeconomics is a study of ‘Aggregates’. Elaborate. How it differs from micro economics 07
- Q.2** (a) Explain the circular Flow of income and expenditure with the help of a flow chart. 07
- (b) Explain following terms. 07
- a. Flow Variable,
  - b. Stock Variable,
  - c. Equilibrium,
  - d. Disequilibrium,
  - e. Static analysis
  - f. Comparative static analysis
  - g. Dynamic analysis
- OR**
- (b) What is National Income? Explain parameters of it. 07
- Q.3** (a) Explain the classical theory of employment and its criticism. 07
- (b) Explain Say’s law of market and its assumption. 07
- OR**
- Q.3** (a) Explain Keynesian theory of employment with assumption. Also criticize the theory. 07
- (b) Explain income determination in two sector and three sector model. 07
- Q.4** (a) Define consumption. Explain in detail life cycle theory of consumptions. 07
- (b) What is money? Explain function and importance of money. 07
- OR**
- Q.4** (a) What is meant by economic growth? explain different theories of growth. 07
- (b) What is Business cycle? Explain phases of business cycle. 07
- Q.5** (a) What is inflation? Explain types of inflation. 07
- (b) Explain the Philip curve and factor behind Phillips-curve relations ship. 07
- OR**
- Q.5** (a) What is meant by monetary policy? Explain instrument or tools of Monetary policy. 07
- (b) What are fiscal instruments of fiscal policy? Explain. 07

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