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Total No. of Pages : 02

Total No. of Questions : 09

**B.Sc. Business Economics (BBE) (2015 to 2017) (Sem.-4)****MACROECONOMICS-II****Subject Code : BBE-403****Paper ID : [74371]****Time : 3 Hrs.****Max. Marks : 60****INSTRUCTIONS TO CANDIDATES :**

1. **SECTION-A is COMPULSORY** consisting of **TEN** questions carrying **TWO** marks each.
2. **SECTIONS-B** consists of **FOUR** Sub-sections : Units-I, II, III & IV.
3. Each Sub-section contains **TWO** questions each, carrying **TEN** marks each.
4. Student has to attempt any **ONE** question from each Sub-section.

**SECTION-A****1. Answer briefly :**

- a) What is Aggregate Demand?
- b) What is monetary policy?
- c) What is fiscal policy?
- d) What is economic growth?
- e) Financial markets.
- f) What is open economy?
- g) What are open market operations?
- h) What is rational expectation?
- i) What is Aggregate Supply?
- j) What is adaptive expectation?

## **SECTION-B**

### **UNIT-I**

2. Explain in detail IS-LM model.
3. Explain in detail features and working of various monetary policy instruments.

### **UNIT-II**

4. What is the implication of rational expectation for economic policy?
5. Explain overlapping wage contracts.

### **UNIT-III**

6. What is dynamic IS-LM model?
7. Explain Dornbusch overshooting model.

### **UNIT-IV**

8. Explain Ricardian equivalence.
9. Explain properties of Ramsey model.