



## BERJAYA BUSINESS SCHOOL

### FINAL EXAMINATION

Student ID (in Figures) :

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Student ID (in Words) :

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Course Code & Name : **ECO1123 MACROECONOMICS**  
 Trimester & Year : May- August 2019  
 Lecturer/Examiner : Dr Smitha Geetha  
 Duration : 2 Hours

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### INSTRUCTIONS TO CANDIDATES

- This question paper consists of 2 parts:
  - PART A (60 marks) : Answer all THREE (3) short answer questions. Answers are to be written in the Answer Booklet provided.**
  - PART B (40 marks) : Answer all TWO (2) structure-type questions. Answers are to be written in the Answer Booklet provided.**
- Candidates are not allowed to bring any unauthorized materials except writing equipment into the Examination Hall. Electronic dictionaries are strictly prohibited.
- This question paper must be submitted along with all used and/or unused rough papers and/or graph paper (if any). Candidates are NOT allowed to take any examination materials out of the examination hall.
- Only ballpoint pens are allowed to be used in answering the questions, with the exception of multiple choice questions, where 2B pencils are to be used.

**WARNING:** The University Examination Board (UEB) of BERJAYA University College regards cheating as a most serious offence and will not hesitate to mete out the appropriate punitive actions according to the severity of the offence committed, and in accordance with the clauses stipulated in the Students' Handbook, up to and including expulsion from BERJAYA University College.

**PART A : SHORT ANSWER QUESTIONS (60 MARKS)**

**INSTRUCTION(S)** : Answer all **THREE (3)** questions on the answer booklet(s) provided.

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**Question 1**

- a. Distinguish between micro and macroeconomics. (4 marks)
- b. Identify any **FIVE (5)** issues addressed by macroeconomists. (10 marks)
- c. Discuss the expenditure method of measuring national income. (6 marks)

**[Total: 20 marks]**

**Question 2**

- a. Describe any **FOUR (4)** factors that shift the aggregate labour supply curve. (10 marks)
- b. Discuss briefly any **FOUR (4)** types of unemployment. (10 marks)

**[Total: 20 marks]**

**Question 3**

- a. Determine the **THREE (3)** characteristics of assets matter for the portfolio rate of allocation decision. (6 marks)
- b. Differentiate velocity and quantity theory of money. (4 marks)
- c. Analyze the macroeconomic determinants of the demand for money. (10 marks)

**[Total: 20 marks]**

**END OF PART A**

**PART B : STRUCTURE-TYPE QUESTIONS (40 MARKS)**

**INSTRUCTION(S)** : Answer all **TWO (2)** questions. Write your answers in the Answer Booklet(s) provided.

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**Question 1**

- a. Describe monetary policy. (4 marks)
  - b. Analyse the monetary policy implication during inflation. (10 marks)
  - c. Distinguish between easy money and tight money policy. (6 marks)
- [Total: 20 marks]**

**Question 2**

- a. Discuss the **THREE (3)** functions of government. (3 marks)
  - b. Differentiate structural and cyclical deficits. (8 marks)
  - c. Critically evaluate the income tax structures. (9 marks)
- [Total: 20 marks]**

**END OF EXAM PAPER**