



MAASAI MARA UNIVERSITY

REGULAR UNIVERSITY EXAMINATIONS

2018/2019 ACADEMIC YEAR

SECOND YEAR FIRST SEMESTER

SCHOOL OF BUSINESS & ECONOMICS

BACHELOR OF BUSINESS MANAGEMENT

COURSE CODE: BBM 212

COURSE TITLE: INTERMEDIATE

MACROECONOMICS

DATE:

TIME:

INSTRUCTIONS TO CANDIDATES

- *Answer question ONE (compulsory) and any other THREE questions.*
- *Question one carries 25 marks*

QUESTION ONE

- a. Distinguish between the following concepts as used in the field of economics
- i. Unemployment (2marks)
 - ii. Macroeconomics (2marks)
 - iii. Depreciation (4marks)
- b. Discuss the various motives for holding money (6marks)
- c. Explain any four qualities of money (8marks)
- d. What is inflation? differentiate between running inflation and creeping inflation (3marks)

QUESTION TWO

- a. Discuss how national income is a reliable index of economic welfare of a nation (15marks)

QUESTION THREE

- a. What are the main measures used to control unemployment (8marks)
- b. Identify the functions of commercial bank (7marks)

QUESTION FOUR

- a. Explain the instruments used in the monetary policy (9marks)
- b. Explain the meaning of voluntary unemployment and seasonal employment (6marks)

QUESTION FIVE

- a. Discuss the methods of measuring national income (9 marks)

Write short notes on the following

- i. Per capita income (2marks)
- ii. Fiscal policy (2marks)
- iii. Deficit financing (2marks)