



**NATIONAL OPEN UNIVERSITY OF NIGERIA**  
**14/16, AHMADU BELLO WAY, VICTORIA ISLAND, LAGOS**  
**SCHOOL OF MANAGEMENT SCIENCES**  
**MARCH 2014, EXAMINATION**

**Course Code: MBA 803**

**Credit Unit: 3**

**Course Title: MACROECONOMICS**

**Time Allowed: 2 1/2 Hours**

**Instructions:**

- 1. Attempt question number one (1) and any other three (3).**
- 2. Question number 1 is compulsory and carries 25 marks while the other 3 questions carry 15 marks each.**
- 3. Present all your points in coherent and orderly manner.**

1(a) Discuss in detail three National Income concepts that are applicable to the

Nigerian economy.

15 marks

(b) Differentiate between microeconomics and macroeconomics.

10 marks

2. Explain the three broad categories of public expenditure.

15 marks

3(a) List and explain three major theories that have been used to understand consumption behavior in the long and short run.

15 marks

4(a) Discuss three problems associated with the output approach for measuring national income.

10 marks

(b) With the aid of a diagram show five phases of a business of trade cycle.

5 marks

5(a) List and explain three major theories of Inflation.

9 marks

(b) Discuss briefly the role of three (3) monetary institutions that can be found in most economies.

6 marks

6. Explain the following terms:

- a. Economic development
  - b. Economic Growth
  - c. Economic underdevelopment
- 15 marks