



**CHRISTIAN SERVICE UNIVERSITY COLLEGE  
KUMASI**

**CSUC SCHOOL OF BUSINESS**

**DEPARTMENT OF ACCOUNTING & FINANCE**

**BACHELOR OF BUSINESS ADMINISTRATION**

**End of Second Semester Examination, 2019/2020 Academic Year  
Level 100**

**CSBF 136: PRINCIPLES OF MACROECONOMICS**

**JUNE, 2020**

**TAKE HOME EXAMS**

**100 MARKS**

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**INSTRUCTIONS TO CANDIDATES:**

- Answer **TWO** Questions (for 50 marks each)
  - Write your answer on the **answer sheets provided**
  - Your answer for **EACH QUESTION** should be **THREE (3) pages minimum**.
  - *Please present your answer in **ESSAY** form as much as possible unless otherwise stated.*
  - Write your index number clearly at the top of every page of the answer sheets used.
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**Note: Marks will be awarded for:**

- Introduction
- Content
- Conclusion
- Evidence of Further Reading
- Originality and Independence (Cheating would be penalized and integrity rewarded)
- Correct grammar, clarity of expression and logical presentation of facts.
- Answers to questions must be well referenced.
- Candidates are to pay attention to detail and clarity of presentation to earn bonus marks

1. Since the outbreak in Wuhan, China in December, 2019; COVID – 19 pandemic has affected an excess of 5 million people across the globe; sending billions of people into lockdown as health services struggle to cope. The first two cases of the pandemic was recorded in Ghana in 12<sup>th</sup> March, 2020; and since then the government of Ghana has put in various measures to clamp down its potential adverse effects on the Ghanaian economy. As a student of economics, discuss the implications of the COVID 19 pandemic on the economy of Ghana.

Total Marks = 50 marks

2. Inflation and deflation are two macroeconomic phenomena that have both positive and negative impacts on any economy.

- a. Explain the condition(s) under which inflation and deflation may have a positive impact?

10 marks

- b. Explain the condition(s) under which inflation and deflation may have a harmful impact on the economy?

10 marks

- c. Which of these phenomena is most harmful: inflation or deflation?

10 marks

- d. What are the fiscal and monetary policies that can be used to address the rate of inflation and deflation in an economy?

20 marks

Total Marks = 50 marks

3. National income estimates are insightful economic information used to examine the quality of life of citizens as well as the performance of a country.

- a. Discuss the approaches that can be used to calculate the national income of a country.

10 marks

- b. Using GDP estimates from 2010-2018, discuss the performance of the Ghanaian economy in the last decade.

10 marks

- c. What factor(s) may account for the GDP trends in Ghana?

10 marks

- d. Do you think GDP is an appropriate measure of the quality of life of Ghanaians? Provide reason(s) for your answer.

20 marks

Total marks = 50 marks