**ST. JOSEPH’S COLLEGE (AUTONOMOUS), BANGALORE-27**

DATE: 12-4-19

**B.A. ECONOMICS– II SEMESTER**

**SEMESTER EXAMINATION: APRIL 2019**

**ECA 218: MACROECONOMICS**

**Time- 2 ½ hrs. Max Marks-70**

**This paper contains two printed pages and three parts**

**Part – A**

**I Answer any 10 of the following [10 x 3 = 30]**

1. What is comparative statics?
2. Briefly explain the two sector model *without* savings and investment.
3. Mention any three criticisms of the classical theory of employment.
4. What is underemployment equilibrium?
5. Write Robertson’s cash balance equation.
6. Define accelerator.
7. What are the motives of liquidity preference?
8. What are IS-LM curves?
9. What is Phillip’s curve?
10. What is CPI?
11. What is a credit multiplier?
12. Mention the phases of a trade cycle.

 **PART-B**

**II Answer any 2 of the following. [2x 5 = 10]**

13. Explain the leakages of multiplier?

14. ‘Supply creates its own demand’. Explain.

15. Write the effects of inflation on redistribution of income and wealth.

**PART C**

**III. Answer any 2 of the following. [2 x 15 = 30]**

16. Discuss the relevance of macroeconomics and its limitations.

17. Explain the determinants and significance of consumption function.

18. Discuss various methods of credit control methods of central bank.

ECA-218-A-19