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

**SEMESTER EXAMINATION- APRIL 2018**

 **ECONOMICS- SEMESTER IV**

**ECS OE 4116: Basic Macroeconomics for Non Economists**

(For supplementary candidates)

Do not write the register number on the question paper

Please attach the question paper along with the answer script.

**This question paper has 1 printed page and 3 parts**

**Time-1 Hours 30 Minutes Max Marks35**

**Part-A**

 **Answer any FIVE of the following: 3X5=15**

1. Define Economics.
2. Distinguish between a stock and a flow concept.
3. Distinguish between real and nominal GDP.
4. Define GDP deflator.
5. State J.B. Say’s Law of Market.
6. What is effective demand?
7. What is ‘ marginal propensity to consume’?

**Part-B**

 **Answer any ONE of the following: 5X1=5**

1. Discuss the two sector circular flow model of income.
2. Examine the causes and effects of inflation.
3. Discuss the relevance of Keynes’s solution to the unemployment in context of a developing economy like India.

**Part-C**

 **Answer any ONE of the following: 15X1=15**

1. Discuss the nature and scope of Macroeconomics.
2. Analyze the basic Keynesian model of income determination with an appropriate diagram.
3. Critically examine the role of fiscal and monetary policy in the context of macroeconomic management.