****

Register Number:

DATE:

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

**B.A ECONOMICS – II SEMESTER**

**SEMESTER EXAMINATION- APRIL 2017**

**ECA 215: Macro Economics**

**Time: 2 1/2 hrs                                                      Maximum marks: 70**

*This question paper has one printed page and three parts.*

**PART A: Answer any TEN of the following (10X3=30)**

1. Write any two uses of macroeconomics.
2. What do you mean by GDP?
3. Mention any three assumptions of the classical theory
4. Define the term effective demand.
5. Explain the concept of MEC
6. Define money.
7. Distinguish between cash transaction and cash balance approach.
8. What are the three motives of liquidity preference?
9. What do you mean by moral suasion?
10. Explain any two objectives of monetary policy.
11. Define CRR.
12. What do you mean by demand pull inflation?

**PART B: Answer any TWO of the following. (5x2=10)**

1. Explain the Say’s law of market.
2. What is multiplier and explain the leakages of multiplier.
3. Use Schumpeter’s theory of innovation to explain trade cycle.

**PART C: Answer any TWO of the following. (15x2=30)**

1. Describe the different methods for measuring national income.Elucidate the problems encountered in national income estimation.
2. Explain Keynesian theory of employment.
3. Explain the monetary policy of central bank. Describe the various quantitative methods of credit control.