Roll No: Date: / /

# St. Claret College

## Autonomous, Bengaluru

# **UG END SEMESTER EXAMINATION-MAY 2025** BA/BSC ECONOMICS II SEMESTER

**EC 224: MACRO ECONOMICS** 

TIME: 3 hours.

MAX. MARKS: 80

### This paper contains TWO printed pages and FOUR parts

#### Instructions:

- 1. Verify and ensure that the question paper is completely printed.
- 2. Any discrepancies or questions about the exam paper must be reported to the COE within 1 hour after the examination.
- 3. Students must check the course title and course code before answering the questions.

#### PART-A

#### Answer all the questions. Each answer carries ONE mark.

10x 1 = 10

- 1. GNP = ...... + Net factor income from abroad.
  - A) NNP
- B) NDP
- C) GDP D) Personal income
- 2. Say's Law of Market states that
  - A) Demand creates its own supply
- B) Supply creates its own demand
- C) Price determines demand
- D) Wages determine supply
- 3. Aggregate supply is equal to ......



B) 
$$C + S + G + (x-m)$$

C) 
$$C + S + T + (x-m)$$

D) 
$$C + S + T + Rf$$

- 4. An economic system where the economic activities of a nation are done both by the private and public together is termed as
  - A) Capitalistic Economy
- B) Socialistic Economy
- C) Globalize Economy
- D) Mixed Economy

- 5. MV stands for
  - A) Demand for money
- B) Supply of legal tender money
- C) Supply of bank money
- D) Total supply of money



0.	The Multiplier is calculated a	.5		
	A) 1/(1-MPC) B) 1/MPS	C) 1/MPC	D) a and b	
7.	Irving Fisher's Quantity Theory of Money was popularized in			
	A) 1908 B) 1910	C) 1911	D) 1914.	
8.	Hawtrey's theory of trade cycle emphasizes:			
	A) Over-Investment	B) Mo	onetary Factors	
	C) Psychological Expectation	ns D) Te	chnological Innovations	
9.	The RBI Headquarters is located at			
	A) Delhi B) Chennai	C) Mumbai	D) Bengaluru	
10.	Who Propounded Relative	Income Hypot	thesis	
	A) J M Keynes	B) M:	ilton Friedman	
	C) James Duesenberry	D) Fr	anco Modigliani & Albert	Ando
		PART	`-B	
er	any FIVE questions. Each	h answer carr	ies TWO marks.	2 x 5=10
12. 13. 14. 15. 16. 17. <b>rer</b> 18. 19. 20. 21.	What is National Income? Give the meaning of Multipli What is Money Market? What are the tools of Moneta What is Inflation? What is Business Cycle?  any FOUR questions. Each Explain the Circular flow of Explain J.B. Say's law of r Explain J.M. Keynes Psych Explain the Functions of M Explain the Functions of M Explain the Determinants of	er.  ry Policy?  Pach answer car  of income in two market. mological Law Money. of Money Supp Illips Curve.	of Consumption.	5 x 4 = 20
er	any FOUR questions. Eac	ch answer car	ries TEN marks.	$10 \times 4 = 40$
25. 26. 27. 28.	Discuss the difficulties in the Analyse the impact of Fiscon Briefly explain the Quantity Explain the different type at	he measureme al and Moneta y Theory of M and causes of I	nt of National Income.  ry policies using the IS-LM  loney with the help of the conflation.	
	8. 9. 10. 12. 13. 14. 15. 16. 17. 18. 22. 23. 22. 23. 22. 23. 22. 23. 22. 23. 22. 23. 22. 23. 24. 25. 26. 27. 28.	A) 1/(1-MPC) B) 1/MPS 7. Irving Fisher's Quantity Theo A) 1908 B) 1910 8. Hawtrey's theory of trade cyc A) Over-Investment C) Psychological Expectation 9. The RBI Headquarters is lo A) Delhi B) Chennai 10. Who Propounded Relative A) J M Keynes C) James Duesenberry  Fer any FIVE questions. Each 11. Give the meaning of Macro 12. What is National Income? 13. Give the meaning of Multipli 14. What is Money Market? 15. What are the tools of Moneta 16. What is Inflation? 17. What is Business Cycle?  Fer any FOUR questions. Each 18. Explain the Circular flow of 19. Explain J.B. Say's law of m 20. Explain J.M. Keynes Psych 21. Explain the Functions of M 22. Explain the Functions of M 22. Explain the Functions of M 23. Explain the concept of Phil 24. Discuss the Scope and Imp 25. Discuss the difficulties in the 26. Analyse the impact of Fisca 27. Briefly explain the Quantit 28. Explain the different type a	A) 1/(1-MPC) B) 1/MPS C) 1/MPC 7. Irving Fisher's Quantity Theory of Money w. A) 1908 B) 1910 C) 1911 8. Hawtrey's theory of trade cycle emphasizes: A) Over-Investment B) Mc C) Psychological Expectations D) Te 9. The RBI Headquarters is located at A) Delhi B) Chennai C) Mumbai 10. Who Propounded Relative Income Hypot A) J M Keynes B) Mi C) James Duesenberry D) Fr  PART FOR THE TOTAL THE THE THE THE TOTAL THE TOTA	A) 1/(1-MPC) B) 1/MPS C) 1/MPC D) a and b  7. Irving Fisher's Quantity Theory of Money was popularized in A) 1908 B) 1910 C) 1911 D) 1914.  8. Hawtrey's theory of trade cycle emphasizes: A) Over-Investment B) Monetary Factors C) Psychological Expectations D) Technological Innovations 9. The RBI Headquarters is located at A) Delhi B) Chennai C) Mumbai D) Bengaluru  10. Who Propounded Relative Income Hypothesis A) J M Keynes B) Milton Friedman C) James Duesenberry D) Franco Modigliani & Albert PART-B  Ter any FIVE questions. Each answer carries TWO marks.  11. Give the meaning of Macro Economics? 12. What is National Income? 13. Give the meaning of Multiplier. 14. What is Money Market? 15. What are the tools of Monetary Policy? 16. What is Inflation? 17. What is Business Cycle?  PART-C  Ter any FOUR questions. Each answer carries FIVE marks.  18. Explain the Circular flow of income in two sector model. 19. Explain J.B. Say's law of market. 20. Explain J.M. Keynes Psychological Law of Consumption. 21. Explain the Determinants of Money Supply.