**SAINTGITS COLLEGE OF APPLIED SCIENCES**

**Second Internal Assessment Examination, February 2019**

**Department of Corporate Economics, Semester VI**

**MACRO ECONOMICS II**

**Total : 80 marks Time: 3Hours**

**Section A**

**Answer all questions. Each question carries 1 mark.**

1. Gross investment
2. Monetary policy
3. Induced investment
4. J R Hicks
5. Transactionary motive
6. Classical Economics
7. Money
8. MEC
9. BOP
10. Crowding out effect

  **(10 X 1 = 10 marks)**

**Section B**

**Answer any 8 questions. Each question carries 2 marks**

1. What is Accelerator?
2. Explain Effective Demand.
3. What is Super Multiplier?
4. Explain MPC and Multiplier.
5. Explain BOP and its components.
6. What is Keynesian Revolution?
7. What is Inflation?
8. Explain the causes of fall in aggregate demand.
9. Explain CRR.
10. What is Great Depression?
11. What is monetarism?
12. Point out Fiscal Policy.

 **(8 X 2 = 16 marks)**

**Section C**

**Answer any 6 questions. Each question carries 4 marks.**

1. Explain the Real Balance Effect.
2. Explain the functions of money.
3. Describe IS curve.
4. Elucidate Classical theory assumptions
5. Explain Purchasing Power Parity theory.
6. What do you mean by money multiplier?
7. Explain Phillips curve?
8. Explain the types of investment.
9. Discuss the interaction principle of multiplier and accelerator.

 **(6 X 4= 24 marks)**

**Section D**

**Answer any 2 questions. Question carries15 marks.**

1. Explain the Keynesian theory of demand for money?
2. Write a note on Hicksian theory of business cycle?
3. Explain ISLM framework?
4. Explain the main theories of international trade?

 **(2 X 15 = 30 marks)**