

M.A. Economics Examination, 2024
Semester - IV
Course: OP - 18
(Macroeconomics of Developing Countries)

Time: 3 Hours

Full Marks: 40

Questions are of value as indicated in the margin

Answer any four (04) of the following questions

- [1] Build up a suitable dynamic model to show how the initial distribution of wealth and credit market imperfection affect the decision to invest in human capital in a small open economy. [10]
- [2] Why is Macroeconomics different in case of developing countries? – explain briefly. Show how the inflow of foreign capital into a one-sector economy may carry some gainful effect through the increase in payments to labour. [5+5]
- [3] How do you express the technology as a determinant of economic growth? How do you account for the macroeconomic cum developmental impacts of advanced technological growth measured by the artificial intelligence? – Briefly explain through the major forks. [4+6]
- [4] Why is the fiscal policy ineffective but the monetary policy effective in a small open economy with a floating exchange rate? – explain in detail. [10]
- [5] (a) In the context of a two-department model of Kalecki having industry-agriculture duality, derive the effect of a bumper harvest on industry under the conditions of industry-agriculture unbalanced trade (in favour of the latter) and variability of per capita food consumption of the industrial worker. [6]
(b) How does the outcome change under industry-agriculture balanced trade and fixity of per capita food consumption of the industrial worker? [4]
- [6] (a) Derive the short-run macroeconomic effects of MGNREGP using a two-department model of Kalecki having industry-agriculture unbalanced trade and fixity of per capita food consumption of the industrial worker. [7]
(b) How does the above outcome change in the medium-run? [3]
- [7] Explain how the two sided role of wage variations has an impact on unemployment in a closed economy. Discuss the implications of contesting political ideologies in this context. [10]
- [8] Answer any TWO of the following questions: [5×2=10]
(a) Money wage cut as a means of raising employment in Keynesian system.
(b) In a one-department Kaleckian model of advanced capitalist economy, show the capitalist-worker duality in terms of income and expenditure determinations.
(c) How does the positive population growth make a difference between the economic growth and per-capita economic growth?
