# M.A. Examination, 2019

## Semester-IV

## Economics

## Course: OP-18 (Optional)

## (Macroeconomics of Developing Countries)

**Time: 3 Hours** **Full marks: 40**

*Questions are of value as indicated in the margin.*

Answer ***any four*** questions.

1. What are the arguments of Kalecki against the conventional notion about deficit financing as the engine of economic development towards full employment. 10

2. How did stagflation and petro-dollar crisis pushed the world economy from the welfare state to neo-liberalism. 10

3. Critically discuss the justification and ways of curbing the fiscal deficit as suggested by the stabilization policy under structure adjustment reform policy. How the price and the interest rates are associated with the fiscal deficit? 5+5=10

4. Critically analyse the macroeconomics of the policy of demonetization implemented in India in November 2016. 10

5. What are the basic properties of a Structural Macroeconomic Model? How do they differ from the general characteristics of the neo classical and new-classical frameworks? 5+5=10

6. Discuss in brief, the structure of Kaleckian one department model. In this context, discuss how GDP and general price level are determined. 3+4+3=10

7. In the context of a two department model of Kalecki having two capitalistic industrial sectors, discuss the pattern of inter-sectoral dependence. Derive the aggregate values of output, wage bill and profit for the macro economy as a whole. 5+3+1+1=10

8. (a) In the context of a two-department model of Bhaduri having industry-agriculture duality, discuss the effects of a bumper harvest on industry under the condition of agriculture industry unbalanced trade.

   (b) How do the outcomes change under balanced agriculture-industry trade? 6+4=10