

M.A. Examination, 2014

Semester – III

Economics

Paper – IX

(Macroeconomics-I)

Time: 3 Hours

Full Marks: 40

Questions are of value as indicated in the margin.

Answer *any four* questions.

1. (a) How does error of confusing historical categories make the use of the conventional accounting system difficult?
(b) What implication you can have from circular flow of national income on analogy between income of an individual and that of a capitalist economy? 7+3=10
2. (a) Do you think that national income is determined by the principle of effective demand and therefore by the size of the market? Explain your view with the two departmental framework.
(b) What implication does it have on the validity of Say's law?
(c) Do you think that the problem of effective demand and the size of the market may still persist even when the economy reaches the full employment? 3+2+5=10
3. (a) What is the significance of the degree of monopoly in determining price in a Kaleckian System?
(b) Show how the degree of monopoly plays a role as a determinant of the relative share of wages in national income? 6+4=10
4. (a) Why cannot classical means of a cut in money wage rate produce full employment in a Keynesian world?
(b) How starting from the relation between money wage rate and price level we can reach at the problem of realization of surplus labour into profit, which has been ignored in traditional macroeconomic analysis? 5+5=10
5. Critically analyse the economics and politics of monetarism. 10
6. Compare the different macroeconomic systems (viz. Classical, Keynesian, Monetarism, Real Business Cycle etc) from the perspective of types of employment/unemployment, neutrality/non-neutrality of money and policy prescriptions. 10
7. (a) Write a critical note on macroeconomics of global financial and economic crisis.
(b) What is its impact on less developed countries including India? 7+3=10
8. Write short notes (*any two*): 5+5=10
 - (a) Political aspects of full employment.
 - (b) Intertemporal substitution of labour and technological shock.
 - (c) Stagnationist versus exhilarationist regime.
 - (d) Keynes versus Kaleckian macroeconomics.