

MASTERS OF ARTS EXAMINATION 2018 (OLD)
(2nd Year, 4th Semester)
ECONOMICS
DEVELOPMENT ECONOMICS- II

Time: 2 hours

Full Marks: 30

The figures in the margin indicate full marks

Answer any **two** questions.

1. Discuss a model of unequal exchange where Prebisch Singer type results can be derived. Describe all calculations and assumptions. (15)
2. Explain the theoretical connections between short run and long run movements of terms of trade in a model having a neo-classical North and a Neo-Lewisian South. (15)
3. Suppose in a two country North-South model, North has the Keynesian feature of fixed money wage as well as excess capacity. Find out the impact of a cut in the money wage rate in the North on terms of trade, consumption and employment in the two regions. (15)
4. In a North South model, explain the process of uneven development in terms of (a) technological externality and (b) Different income elasticity of import demand (8+7)