

National University of Ireland, Galway

Winter Examinations 1999/2000

EC512 Macroeconomics

MBA

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Please answer three questions, two from Section A, and from section B. All questions carry equal marks.

Time allowed: **TWO hours**

Section A

1. Explain the bases of disagreement between two major competing schools of thought in macroeconomics.
2. Show how the circular flow of income model underlies national income accounting.
3. Explain the major features of the Solow growth model, and in particular the nature of steady state equilibria in this model.
4. Illustrate the main features and policy consequences of basic Aggregate Demand and Supply analysis.

Section B

1. Give an account of those major macroeconomic variables which would be considered in a review of the modern Irish economy, and explain why.
2. What role, if any, should public policy adopt towards linking basic science and innovation?
3. "Textbook models rapidly reach their limits in helping to understand the recent Irish economic experience." Discuss.