

## **Examination Guidelines**

### **Subject Area 1**

There will be two Examinations, one for each of the two subject areas. Here are detailed guidelines for the **first exam**. You will have 45 minutes for this exam. Time management is part of the exam, and of the educational process.

There will be 4 questions, one question per each segment of [1], as follows:

1. Textbook, assigned chapters & *Packet 2024*, pages 9-13 [29 points]
2. Group 1 [29 points]
3. Group 2 [13 points]
4. Group 3 [29 points]

#### *Some tips/sample questions*

Note that, inevitably, **there will be some overlap among the questions**. Also, below are *sample questions*. In practice, I may devise a question that is, say, a combination of b and c in Group 3; or a and b in Group 1. Or, indeed, the wording may be different. So, do not expect to get a question which is exactly worded as in, say, Group 2, a. Moreover, for textbook questions, I may add a few things that we have done in class.

#### **1. Textbook**

- a. Question 3, p. 214.
- b. Questions 7 and 8, p. 238.
- c. Question 2, 6, and 8 (exclude section c for question 8), pp. 259-260.

#### **2. Group 1**

- a. Compare and contrast Gordon's and Bailey's main arguments.
- b. What are some of the reasons for Gordon's "pessimism" and Baily's "optimism"?
- c. What additional points are made by Murray, Sichel and Zucman?

#### **3. Group 2**

- a. What is the "productivity-pay gap" phenomenon, and what are some of the factors that explain it? What is meant by "moral policy"?

#### **4. Group 3**

- a. What are some of Stiglitz's arguments, plus what are some of the issues related to inequality and growth, and/or environmental issues and growth? (readings 10, 7, 12, 13 and 16)
- b. What are the assessments of the potential effects of COVID-19 on economic growth? (readings 11, 14, and 15)
- c. The causes of productivity slowdown, and policies proposed to reverse the trend. (readings 11 and 13)

The exam will be conducted at 1:55 PM on January 19 in our regular classroom. Please make sure to bring a calculator and a ruler with you. I will give you a printout of [1] and [1E]. After the exam, we will take a 10-minute break and then resume class.

**Please note that the answers to end-of-chapter Questions and Problems in the Blanchard textbook are available on Nexus.**