

Macroeconomics A: EI056

Quizz

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1 Timing of taxes with infinite horizon

Question: Do tax cuts financed through public debt matter in an infinite horizon environment? Why?

2 Interest rates and consumption

Question: What are the three channels through which the interest rate affects consumption?

3 Core of OLG models

Question: What is the fundamental ingredient of Overlapping Generation (OLG) models?

4 Steady state: Ramsey and OLG

Question: Do the Ramsey model with intertemporal horizon and the OLG model give the same level of steady-state capital?

5 Pareto efficiency in OLG

Question: Weil (2012) points that the market allocation in OLG models is not Pareto efficient. Why is that? What can be done about it?

6 Bequests and OLG

Question: How do bequest affect the OLG model?