

THIRD SEMESTER M.A. DEGREE EXAMINATION, DECEMBER 2018

(CUCSS—PG)

Economics

ECO 3C 10—GROWTH AND DEVELOPMENT

(2015 Syllabus Year)

Time : Three Hours

Maximum : 36 Weightage

Part A (Multiple Choice Questions)*Answer all questions.**Each bunch of four questions carries a weightage of ¼.*

1. The economic development must embrace goals and values including self-esteem, freedom and capabilities, is the terminology used by :
 - (a) Arthur Lewis.
 - (b) Nicholas Kaldor.
 - (c) Amartya Sen.
 - (d) Gunnar Myrdal.
2. A composite measure of Life expectancy at birth, education attainment and standard of living is :
 - (a) HPI.
 - (b) HDI.
 - (c) PQLI.
 - (d) All the above.
3. The concept of income distribution based on gender, race, religion, language, etc. is called :
 - (a) Vertical Inequality.
 - (b) Horizontal Inequality.
 - (c) Inverted 'U' Hypothesis.
 - (d) None of these.
4. In Marx's Theory the ratio of surplus value to variable capital is called :
 - (a) The rate of profit.
 - (b) The organic composition of capital.
 - (c) The degree of exploitation.
 - (d) Capital accumulation.
5. Dual gap occurs as a combined effect of the :
 - (a) Investment-Saving gap and Export-Import gap.
 - (b) BOP gap and BOT gap.
 - (c) Investment-Saving gap and Borrowing-Lending gap.
 - (d) Money supply-demand gap and Foreign exchange gap.

Turn over

6. In the Harrod model, if the actual growth rate is less than the warranted growth rate, $g < g_w$, then
- (a) $C < C_r$, and investment will be encouraged.
 - (b) $C > C_r$, and investment will be discouraged.
 - (c) $C > C_r$, and investment will be encouraged.
 - (d) $C < C_r$, and investment will be discouraged.

7. "Poor countries with abundance of labour and scarce capital produce and export labour-intensive goods, while the rich with more capital relative to labour produce and export capital intensive goods" is the essence of :
- (a) Comparative Cost Advantage Doctrine.
 - (b) H-O Theorem.
 - (c) Smith's vent for surplus gain from trade.
 - (d) Leontief Paradox.

8. The subsequent stage to "Take-off" in the Rostow's stages of growth theory is :

- (a) The Communism.
- (b) Pre-condition to take-off.
- (c) The drive to maturity.
- (d) The age of high mass consumption.

9. "All economies in the long run would grow at their natural rate of growth determined by the growth of the labour force and productivity, and that the investment did not matter due to diminishing return of capital", is the proposition of :

- (a) Harrod Model.
- (b) Solow Model.
- (c) Domar Model.
- (d) Kaldor Model.

10. Holding constant ratio of labour to capital, the technical progress is said to be _____, if it raises the marginal product of labour in greater proportion than the marginal product of capital

- (a) Capital-saving.
- (b) Labour-saving.
- (c) Neutral.
- (d) Any of the above.

11. Who authored the book, Asian Drama : An Inquiry into the Poverty of Nations (1968) :

- (a) Michael P. Todaro.
- (b) Gunnar Myrdal.
- (c) Albert Hirschman.
- (d) Raul Prebisch.

12. "What is happening to tariffs and non-tariff barriers to trade", is one of the common measure of :
- (a) International Trade. (b) Balance of Trade.
 (c) Trade Liberalization. (d) Foreign Exchange Reserve.

(12 × ¼ = 3 weightage)

Part B (Very Short Answer Questions)

Answer any five questions.

Each question carries a weightage of 1.

13. Define 'development gap'.
14. What is meant by vicious circle of poverty ?
15. Distinguish between absolute poverty and relative poverty.
16. What is surplus value ?
17. Write a note on Kyoto Protocol.
18. Distinguish circular and cumulative causation.
19. Define Ricardian concept of stationary state.
20. What is meant by optimum population ? Is it rationale ?

(5 × 1 = 5 weightage)

Part C (Short Answer Questions)

Answer any eight questions.

Each question carries a weightage of 2.

21. What is PQLI ?
22. Explain Kuznets's inverted 'U'.
23. What are the measures of inequality ?
24. Outline the essential propositions of 'new' endogenous growth theory.
25. In what ways the dualism impede the functioning of total economy ?
26. Explain centre-periphery model.
27. Describe low-level equilibrium trap.
28. How will you measure environmental values ?

29. What are the physical and economic impacts of climate change ?
30. "Inflation is a tax on money and growth". Elucidate.
31. Critically India's debt-crisis and the challenges to economic development.

(8 × 2 = 16 weightage)

Part D (Essay Questions)

Answer any three questions.

Each question carries a weightage of 4.

32. Examine the role of capital accumulation in the theories of economic growth and development.
33. What are the indicators and measures of growth and development ?
34. What are the challenges of sustainable development ?
35. Critically evaluate the theory of 'unlimited supply of labour'.
36. Elucidate the conditions of 'knife-edge equilibrium'. What are its policy implications ?

(3 × 4 = 12 weightage)