

71505

(Pages : 3)

Name.....

Reg. No.....

THIRD SEMESTER M.A. DEGREE EXAMINATION, DECEMBER 2014

(CUCSS)

Economics

ECO 3C 11—ECONOMIC GROWTH AND DEVELOPMENT

Time : Three Hours

Maximum : 36 Weightage

Part A

Answer all questions.

Each bunch of four question carries weightage of 1.

A. Multiple choice :

1 Technological dualism is the contribution of :

- (a) Boeke. (b) Mynt.
(c) Higgins. (d) Myrdal.

2 If a country's saving rate is 20 % and the capital output ratio is 4 %, what is the warranted growth rate :

- (a) 10 %. (b) 80 %.
(c) 5 %. (d) 20 %.

3 The central point in the Adam Smith theory of development is :

- (a) Wealth. (b) Savings.
(c) Trade. (d) Capital accumulation.

4 Fei-Ranis stressed the role of :

- (a) Industrial sector. (b) Agricultural sector.
(c) Services sector. (d) None of the above.

B. Multiple choice :

5 According to Myrdal, the main causes of regional inequalities are :

- (a) A strong back-wash effect.
(b) A weak spread effect.
(c) A strong back-wash effect and a weak spread effect.
(d) A weak back-wash effect and strong spread effect.

Turn over

- 6 Leibenstein in his Critical Minimum Effort Thesis treats population as a factor that :
- (a) Income generating. (b) Income depressing.
(c) Investment inducing. (d) Market expanding.
- 7 Economic development of a country depends on :
- (a) Entrepreneurs. (b) Capital formation.
(c) Natural Resources. (d) Availability of market.
- 8 Unbalanced growth hypothesis is formulated on the assumption that :
- (a) The supply of capital and labour is fixed.
(b) Unlimited supply of capital and labour.
(c) The expansion takes place simultaneously on several routes.
(d) Under developed countries present ceiling on their rate of growth.

C. Fill in the blanks :

- 9 Modern economic growth has been analysed by _____.
- 10 Human capital formation refers to _____.
- 11 "A Theory of Economic Development" is authored by _____.
- 12 The theory of social dualism is associated to _____.

D. State True or False :

- 13 For economic development, Schumpeter gave importance to polititions.
- 14 The first Five Year plan is based on Feldman's model.
- 15 Fei-Ranis model stressed the role of agricultural sector.
- 16 Income inequality is measured in terms of coefficient of variation.

(16 × ¼ = 4 weightage)

Part B (Short Answer Questions)

*Answer any ten not exceeding one page each.
Each question carries a weight of 2.*

- 17 Explain write a note on knife-edged equilibrium.
- 18 Distinguish between actual, warranted and natural growth rates.
- 19 Explain backward linkage and forward linkage.
- 20 Explain the growth process with unlimited supply of labour.
- 21 Discuss the Phelps model.
- 22 Explain institutions and economic growth.
- 23 Explain green accounting.
- 24 Explain the arguments against Neo-Liberal prepositions.

- 25 Distinguish between Geographical and Financial dualism.
- 26 Explain the process of cumulative causation in economic growth by Myrdal.
- 27 Explain zero sum incentives and positive sum incentives.
- 28 Explain Schumpeter's "circular flow".
- 29 Explain the stationary state by Ricardo.
- 30 Explain Vintage model.

(10 × 2 = 20 weightage)

Part C (Essay Questions)

*Answer any **three** not exceeding **three** pages each.*

Each question carries a weight of 4.

- 31 Discuss the Marxian theory of capitalist development.
- 32 Explain the Solow's model of long run growth of the economy.
- 33 Discuss the trade off between environment and development.
- 34 Critically examine the Harrod-Domar model.
- 35 Discuss Martin Weitzman's Dismal theorem.

(3 × 4 = 12 weightage)