

THIRD SEMESTER M.A. DEGREE EXAMINATION, DECEMBER 2015

(CUCSS)

Economics

ECO 3C 11—ECONOMIC GROWTH AND DEVELOPMENT

(2010 Admission onwards)

Time : Three Hours

Maximum : 36 Weightage

Part A*Answer all questions.**Each bunch of four questions carries a weightage of 1.***A. Multiple Choices :**

- 1 Economic growth is possible even when an economy is deficient in natural resources because :
 - (a) Unknown resources are discovered.
 - (b) New uses are discovered for the known resources.
 - (c) Both (a) and (b).
 - (d) All the existing resources are used up.
- 2 Dualistic development thesis focuses on coexistence which is :
 - (a) Transitory.
 - (b) Flexible.
 - (c) Erratic.
 - (d) Chronic.
- 3 A country's rate of growth is determined by :
 - (a) The interaction of supply and demand.
 - (b) The average Prosperity to save.
 - (c) The law of comparative costs.
 - (d) The choice it makes between consumption and investment.
- 4 The PQLI does not includes :
 - (a) Life expectancy at age of one.
 - (b) Age of marriage.
 - (c) Infant Mortality.
 - (d) Literacy.

B. Multiple Choice :

- 5 Open unemployment is :
 - (a) Voluntary unemployment.
 - (b) Involuntary unemployment.
 - (c) People work less than they would like to work.
 - (d) Both (a) and (b).

Turn over

6 Malthusian Population trap implies :

- (a) Large population trapped against limited resources.
- (b) Population trapped in a vicious cycle of inflation.
- (c) Population faced with constant GNP.
- (d) Population forced to live at subsistence level of income.

7 Poverty Gap is :

- (a) The gap between subsistence level of output and National output.
- (b) The gap between subsistence level of income and average national income.
- (c) Measures total amount of income necessary to raise everyone who is below minimum level of real income.
- (d) None of the above.

8 Congruence of Lorenz curve with bottom horizontal and right vertical axes represents :

- (a) Perfect equality.
- (b) Perfect inequality.
- (c) Near equality relationship.
- (d) None of the above.

C. Fill in the blanks :

- 9 The balanced growth is related to the classical idea of _____.
- 10 According to Lewis theory, the supply of labour at the existing wage rate is to be _____.
- 11 The concepts of forward linkage and backward linkage were used in the development theory propounded by _____.
- 12 The utilization disguised unemployment as a source of saving potential in UDCs is suggested by _____.

D. State True or False :

- 13 Development is impossible without savings.
- 14 "A country is poor because it is poor" are the words of Singer.
- 15 Harrod-Domar model of economic development presupposes high level of consumption in the economy.
- 16 The rate of growth of national income is equal to investment ratio/capital output ratio.

(16 × ¼ = 4 weight)

Part B

Short Answer questions.

Answer any ten questions not exceeding one page each.

- 17 What are the measurements of economic development ?
- 18 Write a note on classical pessimism.
- 19 Explain the leasing issues of economic development.

- 20 Discuss the role of market mechanism in economic development of a developing economy.
- 21 Explain surplus labour theory.
- 22 Discuss financial dualism.
- 23 Analyse the solow model of economic growth.
- 24 Explain the simple Growth Model.
- 25 What are the major objections of sustainable development ?
- 26 Write a note on vicious circles of poverty.
- 27 Explain the concept of unbalanced growth.
- 28 Explain the importance of Lorenz curve in economic growth and development analysis.
- 29 Analyse the critical Minimum Effort Thesis.
- 30 Evaluate Myrdal theory of economics growth.

(10 × 2 = 20 weightage)

Part C

Essay Questions.

Answer any three questions not exceeding three pages each.

- 31 Discuss the Schumpeterian theory of economic development.
- 32 Explain the basic features of Harrod-Domar Growth Model.
- 33 Critically evaluate Lewis theory of economic development.
- 34 Explain Martin Weitzman's Dismal Theorem.
- 35 Discuss Kaldor Model of economic growth.

(3 × 4 = 12 weightage)