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 Choics :

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.

$(16 \times \frac{1}{4} = 4$ weightage$)$

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)