THIRD SEMESTER M.A. DEGREE (REGULAR) EXAMINATION NOVEMBER 2019

(CUCSS)

Economics

ECO 3C 10—GROWTH AND DEVELOPMENT

(2015 Admissions)

Time : Three Hours   Maximum : 36 Weightage

Part A

Answer **all** *questions.*
Each bunch of four questions carries a weightage of ¼.

Multiple Choice Questions :

1. The third stage of demographic transition, expose that there is :

    (a) High Birth and High death rate.   (b) High Birth and low death rate.

    (c) Low Birth and Low death rate.   (d) Low Birth and High death rate.

2. The period when a society has effectively applied the range of modern technology to the bulk of its resource, in Rostow's stages of growth theory is :

    (a) The pre-condition to take-off.   (b) The take-off.

    (c) The drive to maturity.   (d) The age of high mass consumption.

3. Physical Quality of Life Index was developed by :

    (a) N. S. Buchanan   (b) Harvey Leibenstein

    (c) Hollis B. Chennery   (d) Morris D. Morris

4. While Marx refers to the 'organic composition of capital', which one of the following ratios stands for this, where C is constant capital, V is variable capital and S is surplus value ?

    (a) $\dfrac{C}{(V+S)}$.   (b) $\dfrac{C}{V}$.

    (c) $\dfrac{C}{(C+V)}$.   (d) $\dfrac{(C+V)}{V}$.

Turn over

5. The economist who first bridged the gap between Keynes' short-run static theory of employment and the dynamics of long-run growth, were :

    (a) R.F. Harrod & E. D. Domar.   (b) J. R. Hicks & A. Hansen.

    (c) R. M. Solow & J. E. Meade.   (d) N. Kaldor & Joan Robinson.

6. 'If UDCs are to break the vicious circle of poverty and backwardness, they have to undertake a critical minimum effort', is the argument of :

    (a) Harvey Leibenstein.   (b) R. R. Nelson.

    (c) Rosenstein Rodan.   (d) Ragnar Nurkse.

7. Which of the following is not an assumption of Domar model ?

    (a) APS & MPS are always equal.   (b) APS & MPS are not always equal.

    (c) The propensity to save is constant. (d) The capital coefficient is constant.

8. Head Count Ratio is a measure of :

    (a) Poverty.   (b) Inequality.

    (c) Mortality.   (d) Morbidity.

9. Who authored the book 'Asian Drama' ?

    (a) Benjamin Higgins   (b) Gunnar Myrdal.

    (c) Amartya Sen   (d) Michael P. Todaro.

10. Capital-deepening technology, requires that :

    (a) MPL & MPK remains the same.   (b) MPK > MPL.

    (c) MPK < MPL.   (d) Any of the above.

11. Which of the following statement is true with respect to Harrod-Domar model ?

    (i) $\dfrac{\Delta I}{I} = \alpha\sigma.$ (ii) $GwCr = s.$

    (iii) $Gw = \dfrac{s}{Cr} = \alpha\sigma.$ (iv) $GwCr = \dfrac{s}{I}.$

    (a) Only (i).   (b) Both (i) & (ii).

    (c) (i), (ii) & (iii).   (d) All the above are correct.

12. According to Karl Marx, the value of any commodity produced in a capitalist economy, composed of :

    (a) Constant capital.   (b) Variable capital.

    (c) Surplus value.   (d) All the above.

                                       (12 × ¼ = 3 Weightage)

Part B (Very Short Answer Questions)

Answer any **five** *questions.*
Each question carries a weightage of 1.

13. What is Natural growth rate in Harrod model ?

14. What is vicious circle of Poverty ?

15. What is Capital-Output Ratio ?

16. Distinguish between Back wash effect and Spread effects.

17. Explain the concept of Stationary State.

18. What is the condition for "achieving the steady growth" according to Harrod-Domar model ?

19. What is meant by cumulative causation ?

20. What is dual-gap theory ?

(5 × 1 = 5 weightage)

Part C (Short Answer Questions)

Answer any **eight** *questions.*
Each question carries a weightage of 2.

21. What are the important methods used for measuring economic growth or development ?

22. Describe Lewis growth model.

23. Discuss Trade Liberalisation policy and poverty reduction in developing countries.

24. Describe Kuznet's inverted U hypothesis.

25. Examine endogenous growth theory.

26. Explain the unique features of unbalanced growth strategy.

27. Explain Human Development Index.

28. Distinguish between capital deepening technical progress and capital saving technical progress.

29. What is big push theory ?

30. Discuss the role of economic planning.

31. Critically evaluate Cambridge Growth Models.

(8 × 2 = 16 weightage)