

PG Odd Semester (CBCS) Exam., December—2017

ECONOMICS

(3rd Semester)

Course No. : ECOCC-301

(Development Economics)

Full Marks : 70

Pass Marks : 28

Time : 3 hours

*The figures in the margin indicate full marks
for the questions*

Answer **five** questions, taking **one**
from each Unit

UNIT—I

1. (a) "Growth may have sources beyond mere capital accumulation." Examine the statement in the light of the Solow residual.
- (b) Examine the use of the Solow growth model in explaining poverty traps and low-level equilibrium traps.

- (c) Point out the standard criticisms against the Solow model of growth.

5+5+4=14

2. (a) According to Romer (1991), how can new knowledge creation and workforce associated with R & D be incorporated in a neoclassical type production function? Explain briefly.

- (b) Examine the conditions under which steady state can exist in Romer's research and development model of growth. Hence explain whether this model is an improvement over the traditional Solow model in explaining cross-country growth differentials.

5+6+3=14

UNIT—II

3. (a) What are the important features of Eastern economy? Discuss the features as propounded by Boeke in his theory of Social Dualism.

- (b) How does Higgins' theory of technological dualism provide an answer to the problem of unemployment in third world economies?

6+8=14

(3)

4. (a) What is vicious circle of poverty?
(b) Discuss Murphy, Shleifer and Vishny's approach to vicious circle of poverty and big push. 4+10=14

UNIT—III

5. (a) What is average agricultural surplus in Fei-Ranis model on rural-urban interaction? How does it vary as transfer of labour proceed from rural to urban sector?
(b) Discuss how and why the turning points of industrial wage rate take place during the process of labour transfer from rural to urban sector in Fei-Ranis model. 6+8=14
6. Discuss critically Marx's theory of economic development. 14

UNIT—IV

7. (a) What is inverted U-hypothesis?
(b) State and explain Ahluwalia's study on inverted U-hypothesis. Also interpret his findings on socialist group of countries. 4+7+3=14

(4)

8. (a) Distinguish between microcosmic and macrocosmic systems of dependency.
(b) Discuss the major tenets of Frank's thesis on development and under-development. 6+8=14

UNIT—V

9. (a) Explain the concept of 'happiness'.
(b) Discuss the components of 'happiness'. 6+8=14
10. Write short notes on any *two* of the following : 7×2=14
- (a) Forces of production and relations of production
(b) Socialism and communism
(c) Rostow's transitional and take-off stages of growth
(d) Schultz's study on the presence of surplus labour in rural India
