

3 (Sem-4) ECO M 2

2016

ECONOMICS

(Major)

Paper : 4.2

(Introduction to Development Economics)

Full Marks : 80

Time : 3 hours

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

1. Answer the following questions : $1 \times 10 = 10$

- (a) Give the definition of HDI.
- (b) What is meant by Gini coefficient?
- (c) Explain briefly the meaning of capital-output ratio.
- (d) What is full-employment growth rate?
- (e) Define the term 'stationary state'.
- (f) Explain Adam Smith's idea of division of labour.
- (g) Outline the meaning of vicious circle of poverty.
- (h) Give examples of forward and backward linkage effect.

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(Turn Over)

(2)

- (i) What do you mean by geographical dualism?
- (j) Give the meaning of 'backwash effects' as given by Myrdal.

2. Answer the following questions : $2 \times 5 = 10$

- (a) Distinguish between economic growth and economic development.
- (b) What do you mean by technical progress in the theory of growth?
- (c) Explain the meaning of GNP.
- (d) Give the meaning of 'spread effects' in the theory of cumulative causation. How do they work?
- (e) Give the basic assumptions of Lewis' theory of unlimited supply of labour.

3. Answer any *four* of the following questions : $5 \times 4 = 20$

- (a) Define 'development'. Is real per capita income in itself a reliable index for the well-being of a country?
- (b) Explain the basic indicators of development.
- (c) What are the main constituents of HDI?
- (d) What is Kuznets' view of structural changes in the development process?

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(Continued)

(3)

- (e) What are the different types of capital-output ratio? Discuss.
- (f) Briefly explain 'unbalancing the economy' through SOC and DPA.

4. Answer the following questions : $10 \times 4 = 40$

- (a) Discuss the economic and non-economic obstacles to economic development.

Or

- (b) What is incremental capital-output ratio (ICOR)? Give its uses and limitations in planning.

- (c) Compare and contrast between Harrod and Domar models of growth.

Or

- (d) Critically examine the classical theory of development.

- (e) Explain the essential conditions for balanced growth and mention its limitations too.

Or

- (f) Give a comparative analysis of balanced and unbalanced growth strategies. Which one is preferable for a developing country?

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(4)

(g) What do you mean by the 'process of cumulative causation'? How has Myrdal used it to explain the geographical dualism?

Or

(h) Give the explanation for utilization of surplus manpower (as given by Lewis) in a two-sector economy, with the help of a diagram.
