

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 : 1×10=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.

- (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?

- (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?

- (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.

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