M A DEGREE END SEMESTER EXAMINATION APRIL – 2016
SEMESTER- **2: ECONOMICS**
COURSE: P2ECOT09 - ECONOMICS OF DEVELOPMENT AND GROWTH – II
*(Common for Regular -*2015 Admission*/Supplementary – 2014 Admission*)

Time: Three Hours   Maximum Marks: 75

PART A
Answer **any eight** of the following in three to four sentences.
Each question carries two marks

1. Convergent series of investment
2. Explain Sigma effect
3. SOC
4. Natural growth rate
5. Embodied technical progress
6. Endogenous growth theory
7. Knife- edge equilibrium
8. Net present value criterion
9. BOP constrained growth model
10. Total factor productivity
11. Static gains from trade
12. Cost-benefit analysis

(2 x 8 = 16)

PART B

Answer **any Seven** of the following, not exceeding two pages each .

Each question carries five marks

13. Examine the impact of Urbanization
14. Evaluate the usefulness of shadow price as guide of actual decision – making
15. Discuss the problem of choice of technique for a developing country like India
16. Illustrate the use of linear programming technique for solving any planning problem
17. Discuss the different concepts of capital-output ratio.
18. Write an essay on Domar model of growth.
19. Explain the mechanism of catch up.
20. Write a note on Hirschman's strategy.

21. Explain the investment criteria and economic development .
22. Explain the impact of trade liberalization on poverty reduction in developing countries .   (5 x 7 = 35)

PART C

Write long essay on **any two** of the following. Each question carries twelve marks

23. Explain the Harrod model of growth with its implications for a country if the natural growth rate exceeds the warranted rate.
24. Analyse Todaro's approach to the theory of economic growth.
25. Uses of incremental capital output ratio in development planning.
26. Examine the essential propositions and predictions of neoclassical growth theory .

(12 x 2 = 24)