

2021

ECONOMICS — HONOURS

Paper : CC-14

(Development Economics)

Full Marks : 65

The figures in the margin indicate full marks.

*Candidates are required to give their answers in their own words
as far as practicable.*

Group - A

1. Answer **any ten** questions :

2×10

- (a) Mention the most common way of constructing a PPP ratio.
- (b) What is meant by dependent economics?
- (c) A country experiences 7% growth in its GDP per annum. Is this feature sufficient for achieving economic development? Justify your answer.
- (d) Show the 'poverty trap' from the supply side as indicated by Nurkse.
- (e) What is the implication of the slogan 'redistribution from growth' from the view point of a developing economy?
- (f) Distinguish between absolute poverty and relative poverty.
- (g) State the Kutznets' Inverted U-hypothesis regarding income inequality in a country.
- (h) What is economic dualism?
- (i) If the urban wage rate and the rural wage rate are ₹ 150 and ₹ 80 respectively and if the probabilities of getting an urban job and rural job are $\frac{1}{2}$ and 1 respectively, then what would be the migration decision of a rural worker?
- (j) What is infant mortality rate?
- (k) What is 'Hidden Momentum of Population Growth'?
- (l) Define youth dependency ratio?
- (m) What is meant by forward linkage?
- (n) Mention two advantages of Balanced Growth Strategy.
- (o) Mention two institutional-cultural requirements for the operation of effective private market.

Please Turn Over

Group - B

Answer *any three* questions.

5×3

2. 'Despite the existence of diverse set of developing nations, they have some common characteristics'— Explain.
3. Explain the relevance of 'big push' theory of Rosenstein-Rodan in overcoming the poverty trap.
4. Write a short note on how to construct a Human Development Index (HDI) in measuring economic development.
5. 'Workers base their migration decision on their expected income'.— Explain this proposition with the help of a suitable model.
6. Distinguish between market failure and government failure.

Group - C

Answer *any three* questions.

7. (a) Justify the 'capabilities approach' towards economic development in any less developed country.
(b) Do you think that per capita income of any country can be considered as the proper index of economic development of that country? Give reasons. 6+4
 8. (a) When does an inequality measure become Lorenz consistent?
(b) Briefly discuss the following measures of poverty and inequality—
 - (i) Head Count Ratio
 - (ii) Poverty Gap Ratio
 - (iii) Gini Coefficient 4+(2×3)
 9. (a) Explain the concept of static and dynamic surplus of labour with respect to the estimation of disguised unemployment.
(b) Examine the process of industrialisation and rural-urban migration in a subsistence labour surplus economy on the basis of Lewis model. 3+7
 10. (a) Discuss the process of demographic transition and its implication in economic development of a country.
(b) What is demographic dividend? (6+2)+2
 11. (a) What should normally be the choice of technique in a capital-scarce developing nation?
(b) Can you indicate situations when such capital-scarce developing nations would choose capital-intensive technology instead of labour-intensive technology. 3+7
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