

Date:

Registration number:

ST. JOSEPH’S COLLEGE (AUTONOMOUS), BENGALURU-27

MA ECONOMICS - II SEMESTER

SEMESTER EXAMINATION: APRIL 2022

(Examination conducted in July 2022)

**EC 8421: Economics of Growth and Development**

Time- 2 ½ hrs Max Marks-70

This question paper contains 2 printed pages and 3 parts

**Part A**

**Answer any 5 questions** 2 X 5 = 10

1. Explain the difference between Kaldor and Pasinetti growth model.
2. What do you mean by surplus labour?
3. What do you mean by poverty and inequality?
4. What are the assumptions of Harrod growth model?
5. Differentiate between absolute and relative poverty with examples.
6. What do you mean by informal sector?
7. What is Total Factor Productivity (TFP)?

**Part B**

**Answer any 3 questions** 10 X 3 = 30

1. a. What is the importance of Amartya Sen’s capability approach in measuring economic development? (5)

b. Can PCI be considered as a true measure of economic development? (5)

1. Critically, examine the model of unlimited supply of labour.
2. Explain Leibenstein’s Critical Minimum Effort Hypothesis.
3. State the axioms of inequality measurement and discuss one measure that satisfies all the axioms.
4. a. Write a note on AK model of endogenous growth theory. (5)

b. In this context, discuss the differences between exogenous and endogenous growth theories. (5)

**Part C**

**Answer any 2 questions** 15 X 2 = 30

1. Using suitable diagram, explain in detail the steady-state condition and the golden rule condition in Solow model with technological progress.
2. Critically, examine the balanced and unbalanced growth theories in solving the low-level equilibrium trap. Which theory is more appropriate for developing countries and why? (12+3) = 15
3. a. Explain in detail the Harris-Todaro (H-T) model of rural-urban migration and also the equilibrium condition of this model.

b. What will happen to the H-T equilibrium condition if Government imposes restrictions on migration?

**(10+5) = 15**