



**Avinashilingam Institute for Home Science and Higher Education for Women**  
(Deemed to be University under Category 'A' by MHRD, Estd. u/s 3 of UGC Act 1956)  
Re-accredited with 'A+' Grade by NAAC. Recognised by UGC Under Section 12B  
Coimbatore - 641 043, Tamil Nadu, India

**Master's Degree Examination – June / July 2021**  
**II Semester**

**Class : I PG**  
**Major : Economics**

**Time : 3 Hours**  
**Max. Marks: 100**

**20MECC10 Economics of Growth and Development**

**Part A**

**10 x 1 = 10**

**Choose the Correct Answer**

- Joseph Schumpeter is the exceptional economist who links the entrepreneur to
  - oligopolistic capitalism
  - resource management
  - innovation
  - land and labour
- Which of the following was not a classical economist?
  - Adam Smith
  - Thomas R. Malthus
  - John Stuart Mill
  - John Maynard Keynes
- To boost economic growth the government is most likely to:
  - Increase interest rates
  - Increase taxation rates
  - Provide incentives to invest
  - No incentives to save
- Economic development is characterized by
  - Structural change in the economy
  - Change in the occupational structure
  - Both a and b
  - None of the above
- Dual economy refers to existence of
  - Imports and export activities
  - Bilateral ties
  - Traditional and modern aspects in the economy
  - Both a and b
- Circular cumulative causation* is a *theory* developed by \_\_\_\_\_
  - Ricardo
  - Karl Marx
  - Keynes
  - Gunnar Myrdal
- Which growth model inspired the use of capital-output ratio for development planning?
  - The Harrod-Domar model
  - Solow's model
  - Kaldor's model
  - Mill's model
- Identify the model which is concerned with the 'golden age' equilibrium:
  - Kaldor model
  - Joan Robinson model
  - Keynesian model
  - Harrod model
- The concept of HDI was popularized by
  - Morris D Morris
  - Adam Smith
  - Keynes
  - MahbubUIHaq
- The parameter/s of the PQLI is/are
  - Life Expectancy Index
  - Standard of living index
  - Infant mortality rate
  - A and C

**Part B** **5 x 6 = 30**

**Answer ALL questions**

**Each answer should not exceed 400 words or two pages**

- 11.a. Differentiate economic growth and development.  
(or)
- 11.b. What are the objectives of sustainable development?
- 12.a. Give the assumptions of Adam Smith's theory of economic development.  
(or)
- 12.b. Examine the contribution of Malthus to the theory of economic development.
- 13.a. Explain the Lewis's theory of unlimited labour supply  
(or)
- 13.b. Explain the merits of balanced growth theory.
- 14.a. Briefly explain Mahalanobis growth model.  
(or)
- 14.b. Explain the assumptions of Meade's Model of Economic Growth.
- 15.a. Write a note on capital formation.  
(or)
- 15.b. What is social capital? What are the barriers to the creation of social capital?

**Part C**

**5 x 12 = 60**

**Answer ALL questions**

**Each answer should not exceed 800 words or four pages**

- 16.a. Examine the obstacles to economic development.  
(or)
- 16.b. Briefly explain the millennium development goals.
- 17.a. Explain Marx's theory of the increasing rate of exploitation and declining rate of profit in a capitalist economy.  
(or)
- 17.b. Discuss in detail Rostow's stages of Economic Growth.
- 18.a. Analyse the Fei-Ranis model of economic growth  
(or)
- 18.b. Examine the Leibenstein Critical Minimum Theory
- 19.a. Discuss in detail the applicability of Harris Todaromodel to developing countries  
(or)
- 19.b. Critically examine **Joan Robinson's model of growth.**
- 20.a. Analyse *role* for *entrepreneurs* in *economic development*  
(or)
- 20.b. Discuss the beneficial effects of international trade

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