

Total number of printed pages-4

4 (Sem-1/CBCS) CC/ECO/PG

2025

ECONOMICS

Paper : ECO1045C

(*Development Economics*)

Full Marks : 70

Time : Three hours

***The figures in the margin indicate
full marks for the questions.***

1. Answer the following : 1×5=5
 - (a) What does HDI stand for in the context of alternative measures of development ?
 - (b) Which economist is associated with the “Vicious Circle Theory” of underdevelopment ?
 - (c) In the Harrod-Domar model, what is the key determinant of economic growth ?

- (d) What is the primary rationale for development planning in a developing economy?
- (e) Which development theory extensively deals with rural-urban migration?

2. Answer the following: $2 \times 5 = 10$

- (a) What is the 'Big Push Theory' in the context of balanced growth models?
- (b) Outline the main steps in the project formulation process for development planning.
- (c) What do you mean by define and defacto institution?
- (d) Briefly describe the concept of "Creative Destruction" in Schumpeter's theory of capitalist evolution.
- (e) Define PQLI as an index of inequality in development measurement.

3. Answer **any three**: $5 \times 3 = 15$

- (a) Discuss the axioms of income inequality measurement and their relationship with development theories.

- (b) Describe the social cost-benefit analysis in the context of planning processes for developing economies.

- (c) Elaborate on the role of institutions as determinants of growth in overview growth models.

- (d) Explain the Net Present Value (NPV) and its criterion for evaluation of an investment project.

- (e) Point out the distinctions between growth and development.

- (f) Explain physical quality of life index as a measure of Economic Development.

4. Answer **any four**: $10 \times 4 = 40$

- (a) Critically evaluate the Human Development Index (HDI) and Physical Quality of Life Index (PQLI) as alternative measures of development, highlighting their strengths and limitations.

- (b) Elaborate on Myrdal's theory of cumulative causation and the neo-colonial dependence model, discussing their relevance to balanced versus unbalanced growth strategies.
 - (c) Examine the types and rationale of development planning in developing economies, including the planning process and its challenges.
 - (d) Discuss the role of institutions as determinants of growth, with an overview of key growth models and the need for institutional reforms.
 - (e) Explain how Rostow's model can be used to explain the development of a country.
 - (f) Explain how growth takes place in Lewis model. In this context, compare Lewis model with the model propounded by Fei and Ranis.
-