Name: **Enrolment No:**	UPES UNIVERSITY WITH A PURPOSE

UNIVERSITY OF PETROLEUM AND ENERGY STUDIES
End-Term Examination, June -2021

Course: Development Economics-II **Semester: II**
Program: MA Economics **Time: 3 Hours**
Course code: ECON 8008 **Max. Marks: 100**

SECTION A

Note: Answer all the questions below		**Marks**	**CO**
1.	Which of the following models makes the assumption of constant saving-income ratio? **a)** Kaldor model **b)** Leontief model **c)** Harrod-Domar model **d)** d. Joan Robinson mode	5	CO1
2.	The Production function of Solow model is assumed to have the cobb-Douglas form and is given as $Y = F(KL) = K^{\propto} L^{1-\propto}$. Which of the following statements are correct. **a)** K denotes output and L denotes Labor **b)** The function exhibits constant returns to scale **c)** Output is a function of capital and technology **d)** All the above	5	CO2
3.	Which of the following was not a classical economist? **a)** Adam Smith. **b)** Thomas R. Malthus. **c)** John Stuart Mill. **d)** John Maynard Keynes	5	CO2
4.	The aggregate production function for the Solow growth model assumes (A) _____ returns to scale and (B) _____marginal productivity of labour and capital **a)** A: increasing B: diminishing **b)** A: constant B: diminishing **c)** A: decreasing B: constant **d)** A: constant B: increasing	5	CO1
5.	In Joan Robinson's growth model, capital accumulation depends on **a)** Saving-income ratio **b)** Profit-wage relation and labour productivity **c)** Profit-income ratio and capital productivity **d)** Saving-investment ratio	5	CO1

6.	According to Harrod-Domar model of growth what will happen if the actual growth rate is greater than the warranted rate of growth **A.** Chronic Inflation **B.** Chronic Deflation **C.** No effect **D.** None of the above	5	CO2
SECTION B			
Note: Answer all the questions below		**Marks**	**CO**
Q 1	Describe the structure of Kaldor's model of Economic growth.	10	CO3
Q 2	Distinguish between embodied and disembodied technical change. Discuss Hicks's classification of technical change.	10	CO4
Q 3	Discuss the knife- edge Problem in Harrods's Model.	10	CO3
Q 4	Explain "Critical Growth rate" of capital stock under Meade's model of Economic growth.	10	CO4
Q 5	Discuss the Mrs. Robinson's golden age equilibrium.	10	CO4
SECTION-C			
Q 1	Derive the condition required for steady state in solow's model. Clearly explain the meaning of the symbols used in derivation and assumptions used at each stage of the derivation.	20	CO4