

[This question paper contains 2 printed pages.]

**Sr. No. of Question Paper : 1862**

**Roll No.....**

Unique Paper Code : 248606

Name of the Course : **B.A. (H) Business Economics**

Name of the Paper : Economic Growth and Policy optionE(ii)

Semester : VI (2015)

Duration : 3 Hours

Maximum Marks : 75

**Instructions for Candidates**

1. Write your Roll No. on the top immediately on receipt of this question paper.
2. Attempt any **five** questions.
3. **All** questions carry equal marks.
4. **All** parts of the question must be attempted collectively.

1. (a) Capability approach to development is more comprehensive than GDP/HDI based indicator approach. Explain. (7)
- (b) Discuss the common characteristics of developing countries highlighting the diversity amongst the countries. (8)
2. (a) Long run growth in Romer model is determined by parameters of production function for ideas and population growth rate. Discuss. (10)
- (b) In Neo-classical Solow growth model, what happens to the initial level of capital and output per person in the long run? (5)

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3. (a) Explain the process of economic transformation in a dual sector economy by shifting disguised unemployment from subsistence sector to capitalist sector. (10)
- (b) How do complementarities lead to the existence of multiple equilibrium? (5)
4. (a) Discuss the various methods to measure the concept of income inequality. (10)
- (b) How gender bias in education is a stumbling block in economic growth? (5)
5. (a) How child labour is a case of Bad Equilibria? (5)
- (b) "The persistent attraction of ever higher levels of education in developing countries is a costly proposition". Explain. (10)
6. Define technical progress. How does the presence of externalities and complementarities in technical progress affect investment decision and thus economic growth? (5+10)
7. (a) How can export promotion act as an engine of growth in developing countries? (8)
- (b) Structural Adjustment Policies do not always lead to desired result. Explain. (7)
8. Write short notes on any **three** of the following
- (a) Listian Trap
- (b) Absolute and Relative Poverty
- (c) Condition of export-led development
- (d) Harrod-Domar Model of economic growth (5×3=15)

(600)