

PARUL UNIVERSITY
FACULTY OF ARTS
B.A Winter 2018 – 19 Examination

Semester: 5
Subject Code: 15101302
Subject Name: Economics of Growth and Development

Date: 28/11/2018
Time: 10.30 am to 1.00 pm
Total Marks: 60

Instructions:

1. All questions are compulsory.
2. Figures to the right indicate full marks.
3. Make suitable assumptions wherever necessary.
4. Start new question on new page.

Q.1 Do as directed.**(08)****A. Multiple choice type questions. (Each of 0.5 mark)**

1. Which of the following does the economic growth include?
 - a) Increase in the quantity of goods and services
 - b) Provision of public facilities
 - c) Increase in the goods and services + Public Facilities provision
 - d) None of the above
2. What happens to the production of goods when there is technical progress in the country?
 - a) Decreases
 - b) Constant
 - c) Increases
 - d) Neither increases nor decreases
3. Economic Growth is measured by
 - a) GDP/GNP growth
 - b) Balance of Payment
 - c) HDI
 - d) Price Index
4. Which one of the following factors does not affect the development of a country?
 - a) Political Equality
 - b) Profit earned
 - c) Giving Public Facilities
 - d) Purchasing of good technology
5. Which one of the following is not a type of technological progress?
 - a) Capital Saving Progress
 - b) Labour Saving Progress
 - c) Marginal Progress
 - d) Neutral Progress
6. In the Hicks and Harrod Neutral technical progress model, the technical progress is
 - a) Capital- Saving
 - b) Labour Saving
 - c) Both labour saving and capital saving
 - d) Change in the productivity
7. What happens to the rate of increase in the neutral technical progress?
 - a) Labour increases more than capital
 - b) Capital increases more than labour
 - c) Both increase at the same rate
 - d) None of them increase
8. Harrod-Domar Model is Based on the equality between
 - a) Population and Productivity Growth
 - b) Investment and average growth rate of income
 - c) Actual, warranted and natural rate of growth
 - d) Productivity, growth and investment growth
9. The inability of the person to satisfy the basic needs of life is called as
 - a) Inflation
 - b) Poverty
 - c) Price
 - d) Unemployment

10. The theory which studies about the simultaneous changes in many of the economic elements together due to a change in any one of these elements is called as
- a) Wholesale Price Index Theory
 - b) Circular Causation Theory
 - c) Development Theory
 - d) Growth Theory
11. When the saving is equal to the investment, which type of growth is it called?
- a) Unbalanced Growth
 - b) Balanced Growth
 - c) High Growth
 - d) Slow Growth
12. Which is the term used for introduction of the new products under the Schumpeter Theory?
- a) Creation
 - b) Innovation
 - c) Producing
 - d) Investment
13. The policy of dealing with the exports and imports is called as
- a) Trade Policy
 - b) Monetary Policy
 - c) Fiscal Policy
 - d) Exchange Policy
14. The economic term used for replacing one product with another product is called as
- a) Complementary
 - b) Substitution
 - c) Jointly used
 - d) Collaboration
15. Which is the policy that deals with increasing the quantity of exports and reducing the quantity of imports in the country?
- a) Export Policy
 - b) Expansion Policy
 - c) Import Substitution Policy
 - d) Reduction Policy
16. The increase in the number of exports leads to
- a) Increase in Revenue
 - b) Increase in Expenditure
 - c) Decrease in Expenditure
 - d) No change in anything

B. Terms/ Short notes/ Case study/ Charts/ Graphs/ Tables, etc. (Each of 01 mark) (07)

1. Define the term “economic development”.
2. State and explain any one factor affecting the economic growth of a country.
3. Define the term “Neutral technological progress”.
4. State the meaning of “balanced growth”.
5. Explain the effect of the poverty on the standard of living of the people in brief.
6. What do we mean by the term “foreign capital”?
7. State any one difference between foreign capital and foreign trade.

Q.2 Answer the following.

- A. Describe the differences in the features between the economic growth and economic development of the country. **(04)**
- B. Explain the main features related to the concept of unlimited supply of the labour. **(04)**
- C. Explain the main features of the neutral technical progress. **(04)**

OR

- C. Explain the main features of the import substitution trade policy. **(04)**

Q.3 Answer the following.

- A. Main features regarding the classical theory of development introduced by Karl Marx. **(05)**
- B. Explain the various factors which help in the economic development of a country. **(05)**

C. Explain the main features with respect to the theory of surplus value given by Karl Marx. (05)

OR

C. Explain the features of the concept for the "balanced growth in a country". (05)

Q.4 Answer the following.

A. Explain the distinct features of the Robinson's growth model. (06)

B. Describe the characteristics related to the growth model of Hicks and Harrod neutral technical progress. (06)

C. There are various factors that affect the growth of a country. Explain. (06)

OR

C. The "trade acts as engine of growth" in a country. Explain. (06)