

M.A/M.Sc 3rd Semester Examination, 2019

ECONOMICS

PAPER – ECO-304 (CBCS)

Full Marks : 40

Time : 2 hours

Answer all questions

The figures in the right hand margin indicate marks

Candidates are required to give their answers in their own words as far as practicable

Illustrate the answers wherever necessary

GROUP—A

1. Answer any two questions : 2 × 2

(a) Distinguish between CAGR and EAGR.

(b) Why were economic reform measures necessary for the Indian economy during mid-1991 ?

- (c) What is balanced budget ?
- (d) Distinguish between positive and negative externalities in production.

2. Answer any *two* questions of the following : 4×2

- (a) Distinguish between internal and external public debt.
- (b) Discuss two characteristics of public good.
- (c) Explain the different effects of climate change on Indian economy.
- (d) Write some initiatives taken in India to combat and adapt climate change.

3. Answer any *one* question : 8×1

- (a) Suppose we fit a log cubic regression of $\ln(\text{GDP})$ for India for the period 1950-51 to 2018-19 measured at constant (2009-10) prices on t ($t = 0, 1, 2, \dots, 68$), t^2 and t^3 of the form :

$$\ln(\text{GDP}) = a + bt + ct^2 + dt^3.$$

Explain how the pattern of growth of India's GDP in the referred period is determined by the values and signs of b , c and d .

- (b) Make a critical analysis of the trend in industrial growth in the Indian Economy in the post reform period.

GROUP-B

4. Answer any *two* questions : 2 × 2

(a) What are the limitations of monetary measurement of poverty ?

(b) During the preliberalization period, for most of the time, Indian currency was pegged to which currency ? Was Indian currency over-valued or under-valued ?

(c) Mention two major eco crises in economic indicators that forced the Indian economy to liberalize.

(d) Define "informal sector" of India.

5. Answer any *two* questions of the following : 4 × 2

(a) What are the most important components of India's current and capital account ? Is there any difference in it from pre-to post liberalization period ? 3 + 1

- (b) What do you mean by currency convertibility? Explain. 4
- (c) Explain briefly the trend and pattern of employment in India during the post-reform period. 4
- (d) Briefly discuss the role of the India's informal sector in employment generation. 4
6. Answer any *one* question : 8 × 1
- (a) Explain the FGT method of estimation of monetary poverty. State the dimensions and indicators of multidimensional poverty. 8
- (b) Give the structure of Indian Banking system in a tree diagram. Critically examine the effectiveness of financial sector reforms in India. 2 + 6
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