

2008

M.A./M.Sc.

2nd Semester Examination

ECONOMICS

PAPER—VI (EC-1202)

Full Marks : 40

Time : 2 Hours

The figures in the right-hand margin indicate full marks.

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

Illustrate the answers wherever necessary.

Answer all questions.

1. Answer any five questions : 2×5
- (a) What do you mean by Cambridge models of economic growth ?
 - (b) What are Inada conditions ?
 - (c) What do you mean by multi-sector growth model ?
 - (d) What is real business cycle ?
 - (e) What are the arguments in favour of economic integration ?
 - (f) How is the level of intra-industry trade measured ?
 - (g) What will be the growth rate in the presence of foreign capital constraint and that in the presence of savings constraint ?
 - (h) What is meant by derivatives ?

(Turn Over)

- (i) What are the factors that differentiate one stock index from other ?
- (j) What is the conceptual difference between technological progress and total factor productivity.
2. Answer any *two* questions : 5×2
- (a) Explain Harrod's instability theorem.
- (b) Derive investment multiplier in the presence of repercussion effect.
- (c) What do you mean by Total Factor Productivity? Distinguish between its conventional and production function measures. Which approach do you think is better ?
- (d) Explain the concept of options market.
3. Answer any *two* questions : 10×2
- (a) Derive the fundamental dynamic equation of Solow model. Explain the steady state situation and golden rule of capital accumulation. 3+7
- (b) (i) Explain the convergence hypothesis in growth theory. 5
- (ii) Explain AK model of endogenous growth theory. 5
- (c) Explain North-South Trade Model. 10
- (d) (i) What are the items in the balance sheet of a company? 5
- (ii) What are the different profitability ratios? 5