

**V/ECO (viii) (C)**

**2013**

**( 5th Semester )**

**ECONOMICS**

**EIGHTH (C) PAPER**

**( Economics of Development and Planning )**

*Full Marks : 75*

*Time : 3 hours*

**( PART : B — DESCRIPTIVE )**

*( Marks : 50 )*

*The questions are of equal value*

**Answer all questions**

**UNIT—1**

- 1. Describe the concepts of economic growth and economic development.**

*Or*

**Discuss various stages of economic growth as suggested by W. W. Rostow.**

**14G—450/86a**

**( Turn Over )**

( 2 )

UNIT—2

2. Explain the role of entrepreneur in bringing about innovation according to Schumpeter's theory of development.

Or

Discuss the Marxian theory of economic development.

UNIT—3

3. What do you mean by 'vicious circle of poverty'? How can a poor country get out of the problem?

Explain the need and rationale for balanced growth strategy.

UNIT—4

4. Bring out the need for investment criteria in less-developed countries (LDCs).

Or

Explain the criterion of net present value for making investment.

( 3 )

UNIT—5

5. What are the advantages and disadvantages of a centralized planning for an economy?

Or

Describe the reasons for which an underdeveloped economy needs economic planning.

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2013

( 5th Semester )

**ECONOMICS**

EIGHTH (C) PAPER

**( Economics of Development and Planning )**

( PART : A—OBJECTIVE )

( Marks : 25 )

*The figures in the margin indicate full marks for the questions*

Answer **all** questions

SECTION—A

( Marks : 10 )

Tick (✓) the correct answer in the brackets provided :  $1 \times 10 = 10$

1. Economic growth is measured by

(a) GNP growth ( )

(b) Balance of Payment ( )

(c) Human Development Index ( )

2. According to Rostow, a rise in the rate of productive investment of 5 percent to 10 percent of NNP takes place in

- (a) the drive to maturity ( )
- (b) the take off ( )
- (c) the precondition for take off ( )

3. According to Marx, who are exploited by the capitalist class?

- (a) The bourgeois ( )
- (b) The proletariat ( )
- (c) The Communists ( )

4. According to Schumpeter, who is the innovator?

- (a) The State machinery ( )
- (b) The entrepreneur ( )
- (c) The common man ( )

( 3 )

5. Unlimited supply of labour in the traditional sector was propounded by

- (a) W. A. Lewis ( )
- (b) W. W. Rostow ( )
- (c) Rosenstein-Rodan ( )

6. Dualism exists in

- (a) underdeveloped economy ( )
- (b) developed economy ( )
- (c) mixed economy ( )

7. Which of the following is the limitation of cost-benefit analysis?

- (a) Difficulty in cost assessment ( )
- (b) Difficulty in benefit assessment ( )
- (c) All of the above ( )

( 4 )

8. The critical minimum effort theory is due to

(a) H. Leibenstein ( )

(b) Rosenstein-Rodan ( )

(c) Ragnar Nurkse ( )

9. Mahalanobis model of planning was used for the

(a) First Five-Year Plan ( )

(b) Second Five-Year Plan ( )

(c) Third Five-Year Plan ( )

10. Marx argued that capital accumulation depends on

(a) surplus value ( )

(b) constant capital ( )

(c) variable capital ( )

( 5 )

SECTION—B

( Marks : 15 )

Write short notes on the following :

3×5=15

1. Low-level equilibrium trap

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**2. Labour intensive technique of production**

(2) Marks

Write about four of the following:  
1. Low-level equilibrium trap

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3. Market failure

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( 8 )

4. Characteristics of less-developed countries

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5. Economic planning

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