

ST. JOSEPH'S COLLEGE (AUTONOMOUS), BANGALORE-27
B.Sc. ECONOMICS - V SEMESTER
MID SEMESTER EXAMINATION - AUGUST 2019
ECS 5318: ECONOMICS OF GROWTH AND DEVELOPMENT

I. Answer any FIVE of the following

5x 3 = 15

1. Explain the difference between growth and development.
2. What are the pitfalls of considering per capita income as an index of economic development?
3. Explain the view of Amartya Sen to measure economic development.
4. Discuss about the indicators that are used in construction of the Gender Development Index.
5. State the assumptions of Harrod growth model.
6. What happens when there is violation in equilibrium conditions in Domar growth model? (Use possible mathematical derivations)
7. Discuss how the Neo-classical and the Cambridge growth models have evolved to take care the limitations of Harrod-Domar growth model.

II. Answer any ONE of the following

15X1 = 15

8. a. Consider the production function in the Solow growth model as: $Y = K^{1/3} L^{2/3}$.
 - Rewrite the production function in per-worker terms.
2
 - Write the steady-state condition for the Solow model and solve for the steady-state level of capital stock [Assume $s = 0.2$ (savings rate) and $\delta = 0.05$ (depreciation rate)].
4b. Draw and explain the steady-state condition in Solow model with technological progress. Also explain the condition for golden rule level of capital with technological progress. 9
9. a. Explain the difference between absolute and conditional convergence in Solow model.
4
- b. What is the difference between Kaldor and Passinetti model of economic growth? Derive mathematically and discuss in detail, the equilibrium condition using Passinetti model of economic growth. Is there any difference in the equilibrium condition in Passinetti model as compared to Kaldor model?
11