

Roll No



**PRESIDENCY UNIVERSITY
BENGALURU**

SET-A

**SCHOOL OF COMMERCE
END TERM EXAMINATION – MAY/JUNE 2024**

Semester : Semester IV - 2022

Course Code : BSE1012

Course Name : Economics of Development

Program : B.Sc. Economics

Date : June 6, 2024

Time : 9.30AM – 12.30PM

Max Marks : 100

Weightage : 50%

Instructions:

- (i) Read all questions carefully and answer accordingly.
- (ii) Question paper consists of 3 parts.
- (iii) Scientific and non-programmable calculator are permitted.
- (iv) Do not write any information on the question paper other than Roll Number.

PART - A

ANSWER ANY 5 QUESTIONS

5Q X 2M = 10M

1. Outline about the Happiness Index. (CO1) [Knowledge]
2. Define Gender Development Index. (CO2) [Knowledge]
3. Define the term "poverty line." (CO3) [Knowledge]
4. Explain Green GDP. (CO4) [Knowledge]
5. Define market failure and explain its relevance to sustainable development. (CO4) [Knowledge]
6. Discuss the key assumptions of the Lewis Model with Surplus Labor? (CO3) [Knowledge]
7. Explain the concept of Kuznet's Inverted U hypothesis. (CO2) [Knowledge]

PART - B

ANSWER ANY 5 QUESTIONS

5Q X 10M = 50M

8. Evaluate the usefulness of the Gini Coefficient as a measure of economic inequality, considering its strengths and limitations. (CO2)[Comprehension]

9. Evaluate the relevance of Liebenstein's Critical Minimum Effort Theory in achieving sustainable development. (CO3) [Comprehension]
10. Discuss the significance of Green GDP in policy-making and identify the challenges involved in calculating Green GDP. (CO4) [Comprehension]
11. Explain the ways in which the Happiness Index and how it is used to measure subjective well-being in societies. (CO1) [Comprehension]
12. Explain the Sustainable Development Goals (SDGs) framework and its significance in addressing global challenges. Discuss how the SDGs differ from the Millennium Development Goals (MDGs) and highlight key principles underlying the SDGs. (CO1) [Comprehension]
13. Discuss the advantages and disadvantages of using an Unbalanced Growth Strategy in developing countries. (CO4) [Comprehension]
14. Define the poverty gap ratio and explain how it differs from the headcount ratio in measuring poverty. and discuss the concept of the Genuine Progress Ratio and its significance in assessing the overall well-being of a society. (CO2) [Comprehension]

PART - C

ANSWER ANY 2 QUESTIONS

2Q X 20M = 40M

15. Country C is projecting its long-term economic growth over the next decade. The current GDP is \$1 trillion, the savings rate is 18%, and the capital-output ratio is 5. The government wants to project the GDP after 10 years if the current growth rate is maintained. Calculate the following
1. Current Growth Rate
 - Current growth rate of Country C.
 2. GDP Projection after 10 Years:
 - Determine the GDP after 10 years, assuming the growth rate remains constant.
- (CO4) [Application]
16. Explain Rodan's Big Push Theory. How does it justify the need for large-scale investment in developing economies? (CO3) [Application]
17. From the given data, calculate the Human Development Index (HDI) for a country X. Also mention any three limitations of HDI.

Dimension	Actual Values
Life Expectancy at Birth	62 years
Mean Years of Schooling	10
Expected Years of Schooling	8
GNI Per Capita (2011 PPP US\$)	48,000

(CO2) [Application]