UNIVERSITY OF PETROLEUM AND ENERGY STUDIES
End-Term Examination, May -2021

Course: Development Economics   **Semester: IV**
Program: BA Energy Economics   **Time: 3 Hours**
Course code: ECON 2007   **Max. Marks: 100**

SECTION A

	Note: Answer all the questions below	Marks	CO

1.	The ratio of change in income to total income is known as.
	  A. Actual growth rate
	  B. Full employment growth rate
	  C. Natural growth rate
	  D. Warranted growth rate
		5	CO1

2.	According to Harrod - Domar model, what will happen when the actual growth rate is lesser than warranted growth rate?
	  A. Inflation
	  B. Deflation
	  C. No effect
	  D. Steady growth rate
		5	CO2

3.	Income inequalities are often shown on a ….
	  A. production possibility curve
	  B. marginal inequality curve
	  C. Sen curve
	  D. Lorenz curve
		5	CO2

4.	A value of 1 of Gini coefficient represents
	  A. low inequality
	  B. maximum inequality
	  C. 10/10 000% inequality
	  D. 1% inequality
		5	CO1

5.	The Physical Quality of Life Index (PQLI) combines three indicators They are ?
	  A. infant mortality life expectancy and adult literacy rate
	  B. crime rate clean environment and quality of housing
	  C. air pollution rate, Water pollution rate and sanitation
	  D. health education and environment
		5	CO1

6.	The Human Development Index (HDI) summarizes a great deal of social performances in a single composite index combining?
	
	  A. disparity reduction rate, human resource development rate and the composite index
	  B. longevity, education and living standard
	  C. minimum schooling, adult literacy and tertiary educational attainment
	  D. human resource training development and R&D
		5	CO2

SECTION B			
Note: Answer all the questions below		**Marks**	**CO**
Q 1	Define Economic Growth and its characteristics.	10	CO3
Q 2	What are the assumption of Harrod model of economic growth? How does this model distinguish between warranted, actual and natural rate of growth?	10	CO4
Q 3	Discuss Hick's classification of technical change. To what extent is it similar to Harrod's Classification?	10	CO3
Q 4	Write short note on Human poverty index (HPI) and Gender Development Index (GDI).	10	CO4

Q 5	Briefly Explain about following methods of measurement of income Inequality
	   a. Gini coefficient
	   b. Kuznets inverted 'U' Hypothesis
		10	CO3

SECTION-C			
Q 1	Derive the fundamental equation of the Solow model. Explain the meaning of the symbols used in the derivation and explain the assumption used at each stage of the derivation clearly.	20	CO4