


Name:	 UNIVERSITY OF TOMORROW
Enrolment No:	

**University of Petroleum & Energy Studies (UPES)**  
**School of Business (SoB)**  
End-Semester Examination - May 2023

Program: B.A. Public Policy & Administration  
Subject / Course: Political Economy of Development  
Course Code: BAPP 2011

Semester: IV  
Maximum Marks: 100  
Duration: 03 Hours

**INSTRUCTIONS:**

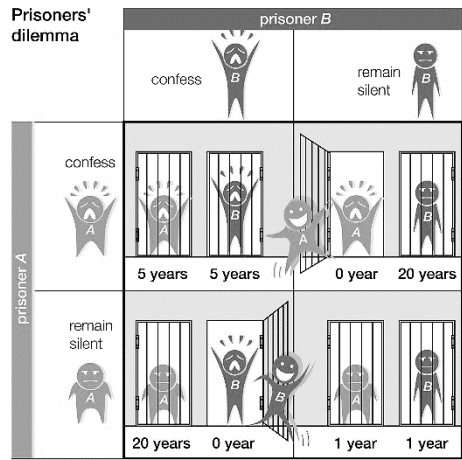
- This is a CLOSED-BOOK EXAM. Only Non-scientific calculator is allowed.
- Cellphones / Tablets / Laptops / Books / Notes etc. are NOT allowed.
- All questions are compulsory. If Choice is there, it is indicated within the question as OR.
- Your answers must be "brief & to the point."

Q. No.	Questions	Marks	COs
<b>SECTION A</b>			
<b>10Q x 2M = 20 Marks</b>			
Q 1.	What is known as <i>Rich/Poor ratio</i> ?	2	CO1
Q 2.	What is known as <i>purchasing power parity (PPP)</i> ?	2	CO1
Q 3.	In 1968, a biologist published an article about social dilemmas in the journal <i>Science</i> , called ' <i>The Tragedy of the Commons</i> .' Who is that biologist?	2	CO1
Q 4.	Which concept given by Adam Smith is known as <i>invisible hand</i> ?	2	CO1
Q 5.	Define <i>altruism</i> .	2	CO1
Q 6.	Define <i>asymmetric information</i> .	2	CO1
Q 7.	What is popularly known as a <i>natural experiment</i> ?	2	CO1
Q 8.	The consumer's willingness to pay for a good <i>minus</i> the price at which the consumer bought the good, is known as _____.	2	CO1
Q 9.	Define <i>Type-I error</i> in term of hypothesis testing and give an example.	2	CO1
Q 10.	Define <i>Type-II error</i> in term of hypothesis testing and give an example.	2	CO1

**Please Turn Over**

**SECTION B**  
**4Q x 5M = 20 Marks**

<b>Q 11.</b>	<p>Consider the table on side where “Rich” means the <i>average income of the 10<sup>th</sup> decile</i> and “Poor” means the <i>average income of the 1<sup>st</sup> decile</i>.</p> <p>(a) Which is the most unequal country? (b) Which is the most equal country?</p>	5	CO2																		
<table border="1" style="margin-left: auto; margin-right: auto; border-collapse: collapse;"> <thead> <tr> <th style="width: 30%;"></th> <th style="width: 35%; text-align: center;">Rich</th> <th style="width: 35%; text-align: center;">Poor</th> </tr> </thead> <tbody> <tr> <td>Botswana</td> <td style="text-align: center;">24,523</td> <td style="text-align: center;">169</td> </tr> <tr> <td>Nigeria</td> <td style="text-align: center;">4,449</td> <td style="text-align: center;">203</td> </tr> <tr> <td>India</td> <td style="text-align: center;">4,446</td> <td style="text-align: center;">223</td> </tr> <tr> <td>US</td> <td style="text-align: center;">60,418</td> <td style="text-align: center;">3,778</td> </tr> <tr> <td>Norway</td> <td style="text-align: center;">45,302</td> <td style="text-align: center;">8,325</td> </tr> </tbody> </table>			Rich	Poor	Botswana	24,523	169	Nigeria	4,449	203	India	4,446	223	US	60,418	3,778	Norway	45,302	8,325		
	Rich	Poor																			
Botswana	24,523	169																			
Nigeria	4,449	203																			
India	4,446	223																			
US	60,418	3,778																			
Norway	45,302	8,325																			
<b>Q 12.</b>	<p>The GDP per capita of Greece was \$22,494 in 2012 and \$21,966 in 2013. Based on these figures, the growth rate of GDP between 2012 and 2013 was:</p> <p>A. - 2.40% B. + 2.35% C. - 2.35% D. - 0.24%</p> <p><i>Note: You must show your calculation.</i></p>	5	CO2																		
<b>Q 13.</b>	<p>What is a Nash Equilibrium? Briefly explain with a game theory example.</p>	5	CO2																		
<b>Q 14.</b>	<p>Discuss a few limitations of the concept popularly known as <i>Prisoners' Dilemma</i>.</p> <p><i>You may use relevant examples in case that helps.</i></p>	5	CO2																		



**Please Turn Over**

SECTION C

3Q x 10M = 30 Marks

<p><b>Q 15.</b></p>	<p>(a) Briefly discuss the following political ideologies behind the <i>Foreign Direct Investment (FDI)</i>: <span style="float: right;">[2 x 3 = 6 points]</span></p> <ol style="list-style-type: none"> <li>1. <i>Radical views</i></li> <li>2. <i>Free market views</i></li> <li>3. <i>Pragmatic nationalism</i></li> </ol> <p>(b) Suppose you are an IES (<i>Indian Economic Service</i>) officer working for the G20 Summit 2023 to be held in New Delhi. <i>India's Chief Economic Advisor</i>, Dr. V.A. Nageswaran asks you to prepare a presentation on India's FDI strategies in welcoming foreign investors. With the campaign "Make in India" already in place, which political ideology would you portray in your presentation? Justify, why? <span style="float: right;">[4 points]</span></p>	<p>10</p>	<p>CO3</p>
<p><b>Q 16.</b></p>	<p>Using the concepts of <i>income effect</i> and <i>substitution effect</i> and a free-hand indicative <b>diagram</b>, briefly explain how after a certain level of wage/earnings, a rational labourer prefers <i>leisure</i> over <i>work</i>.</p> <p><i>Hint: You may want to use the theory of backward bending labour supply curve.</i></p>	<p>10</p>	<p>CO3</p>
<p><b>Q 17.</b></p>	<p>According to the United Nations (UN)-sponsored World Happiness Report (WHR) for 2022, India ranks 136<sup>th</sup> while Finland remains at the 1<sup>st</sup> rank for a very long period. Which <b>factors related to the political economy</b> make Finland the <i>happiest country</i> in the world? And, why?</p>	<p>10</p>	<p>CO3</p>



**WORLD HAPPINESS REPORT (2022)**



Please Turn Over

SECTION D

2Q x 15M = 30 Marks

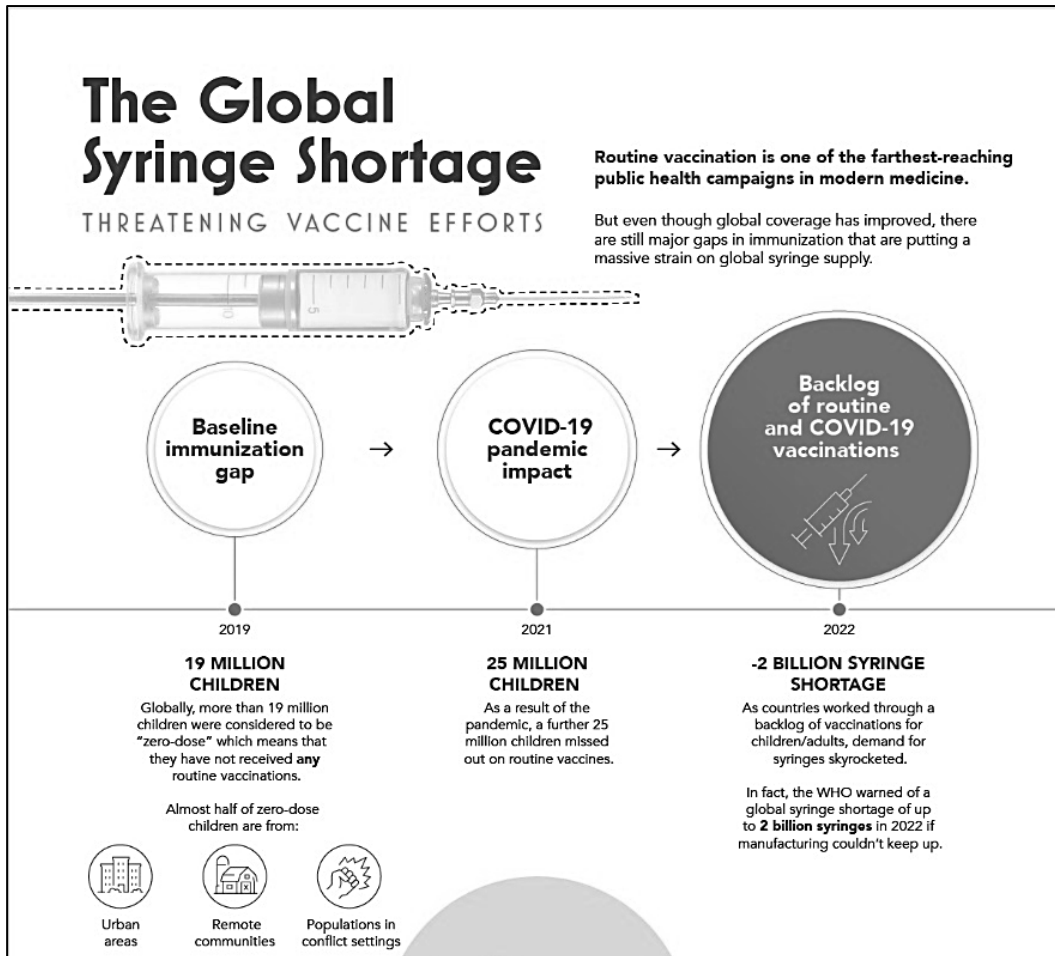
Q 18.

**CASE STUDY:** Please read the snippet below: *Routine vaccination saves millions of lives every single year, according to the World Health Organization (WHO). But even though global vaccination coverage is improving, closing the gap in immunization has led to skyrocketing demand for syringes – which is forecast to result in a major shortage that could make matters worse.*

15

CO4

Using your understanding of the political economy of development, propose a few (at least **THREE**) policy recommendations to close the immunization gap and solve the syringe shortage problem.



Please Turn Over

Q 19.

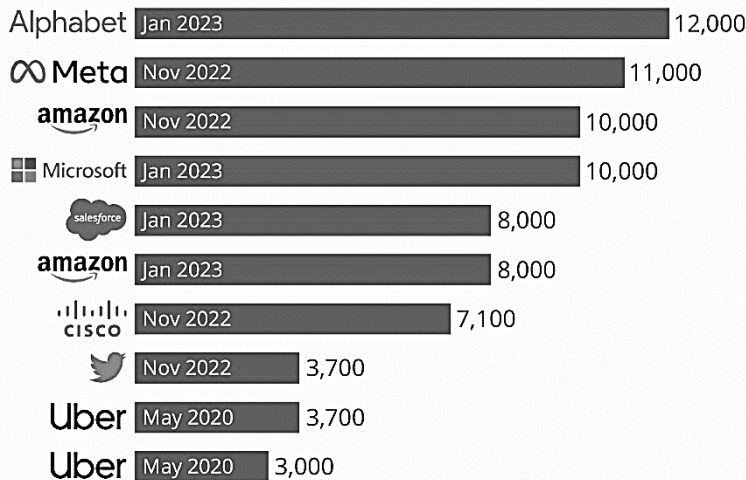
**CRITICAL THINKING:** Please go through the infographics below and discuss (using the international migration theories/explanations) how the ongoing layoffs in the USA might have similar and/or differential impacts on the aircraft businesses in the 'global north' [the more developed economies/countries] vis-à-vis in the 'global south' [the less developed/developing economies/countries].

15

CO4

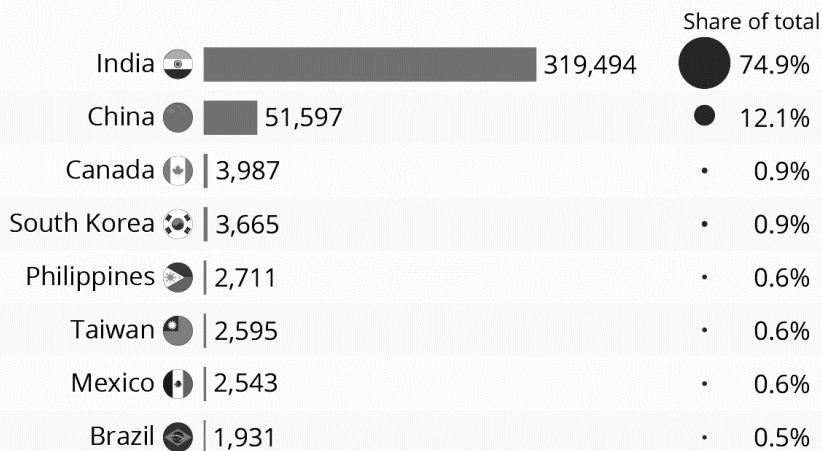
## The Largest Tech Layoffs

Estimated number of global job cuts in the largest layoffs by U.S. tech companies since 2020



© statista

## Origin countries of H-1B visa recipients in FY 2020\*



© statista

\* The H-1B visa is a non-immigrant work visa that allows American employers to hire foreign workers with specialized skills.